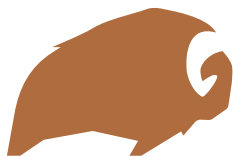


KITIKMEOT CORPORATION'S

PRESIDENT'S REPORT

Annual General Meeting of the Kitikmeot Inuit Association



KITIKMEOT
CORPORATION

ᑭᑭᑭᑭᑭᑭᑭᑭ ᑭᑭᑭᑭᑭᑭᑭᑭ

SEPTEMBER 19, 2023



DAVID OMILGOITOK

PRESIDENT AND CEO

Thank you KIA board of directors for the opportunity to provide my report.

On behalf of Kitikmeot Corp and our partners let me start by expressing our sympathies and support for those that have been displaced and challenged by the wildfires in Western and Northern Canada. We have partners, colleagues and family based in Yellowknife and British Columbia that have been impacted by these disastrous events. We commend their strength in these trying times and our thoughts and prayers are with them as they and their communities respond to the challenges they currently face.

I will now provide a summary of the highlights of Kitikmeot Corporation's activities and performance over the past twelve months.



Five new Kitikmeot Inuit majority owned subsidiaries incorporated in the past twelve months that will do business and create Inuit employment opportunities in the communications, renewable energy, sea transport, land surveying and environmental engineering sectors.

Kitikmeot Inuit Employment

First, I would like to provide an update on Kitikmeot Inuit employment activity as it relates to Kitikmeot Corporation subsidiaries and related businesses.

KC's primary means of developing local Inuit employment opportunities and activity for our partners and subsidiaries is by providing operational support services to the mining operations in the region. At Hope Bay, Agnico Eagle (AEM) suspended production soon after its acquisition of the site and has been conducting exploration activities since early 2022. This exploration activity is in support of AEM's four year program to assess the best means of developing the site.

Our subsidiary Geotech Ekutak Ltd, holds the exploration drilling contract at Hope Bay and is currently our most active interest at the site. Geotech, in collaboration with the KIA, offers a driller helper training program for Kitikmeot Inuit. Eligible candidates are sent to Prince George, BC, for operational and safety training and then to Hope Bay for practical experience and training. Four Kitikmeot Inuit candidates have recently completed the program.

AEM's exploration program has unfortunately reduced other employment activity at site. For example, our subsidiary Kitikmeot Camp Solutions provides catering and camp management services at Hope Bay. AEM currently operates a much smaller camp while in exploration mode, and we are finding that Camp Solutions qualified and entry level positions and opportunities to train on site are currently very limited.

A pause on mine construction at Hope Bay has also negatively impacted another KC subsidiary, Kitikmeot Cementation Mining and Development. KCMD has had to reduce its Hope Bay workforce this past spring by sixty percent, impacting two beneficiary employees.

KC leadership, along with our partner representatives, regularly meet with the general management of the Hope Bay site to discuss business and employment opportunities. Based on these conversations we foresee no changes in employment activity at Hope Bay given AEM's stated intent to complete its exploration program before determining the economic viability of further development at the site.

However, the employment situation is more encouraging at B2Gold's Back River mining operation. Following the Sabina acquisition by B2Gold, KC leadership has had the opportunity to meet with representatives of the B2Gold executive, who have expressed a strong commitment to local job creation for beneficiaries.

We are optimistic that B2Gold's Back River production ramp up will see an increase in Kitikmeot beneficiary employment through our KC subsidiaries. As B2Gold contemplates production from the site to commence as early as 2025, contracts are being negotiated with service operators to support B2Gold's mining operations. Recently two KC subsidiaries, Kitikmeot Camp Solutions and Kitikmeot Tire Mine Service were awarded long term contracts by B2Gold. Both of these businesses have beneficiaries staffed at site and continue seeking Kitikmeot Inuit candidates for employment. We anticipate further opportunity and engagement for our subsidiaries with B2Gold over the coming months.



STEPHANIE TAPTUNA

DIRECTOR OF BUSINESS AND
COMMUNITY RELATIONS

As a final point regarding Kitikmeot Inuit employment, several years ago KC began a cross-functional effort to engage with Kitikmeot stakeholders and collaboratively identify and implement opportunities to increase and improve employment and career opportunities for Kitikmeot Inuit. This effort, called the Kitikmeot Inuit Workforce Strategy, obtained stakeholder agreement of the priority activities in 2022. These priorities include developing means for Kitikmeot Inuit to better participate in entry level and skilled employment opportunities, connecting beneficiaries to job opportunities and developing support mechanisms to ensure Inuit career success.

Implementation efforts began in the fall of last year and in January of 2023 KC hired Stephanie Taptuna as our Director of Business and Community Relations to provide consistent support and leadership in our effort to promote and support Kitikmeot Inuit employment.

With Stephanie providing leadership and guidance, over the course of the past eight months the project team has made progress in many areas, including the following:

- Lobbying various government bodies for recognition and support of the project, including resources and recommendations for changes to education, health and housing policies and practices,
- Setting up youth programs to provide guidance for future workforce participation,
- Developing recommendations to better support trade apprentice programs and expand community-based career development resources, and
- Developing and delivering cross-cultural awareness training for employers.

One final point with respect to Stephanie's responsibilities in her new role. The KIA has previously requested that KC management increase access and visibility for beneficiaries by scheduling regular visits to the Kitikmeot communities. With Stephanie onboard, KC now has the resources to plan and undertake meaningful community visits on a regular basis.



\$25M in grants provided to the Kitikmeot Corporation by Canada's federal government Smart Renewables & Electrification Pathways program to support future renewable energy infrastructure development at Hope Bay.

Business Development Initiatives

As described earlier, KC management is continuously working with both our partners and regional business stakeholders to expand the products and services we provide to support our key regional customers in the resource sector. We are also active in pursuing new opportunities, primarily in regional infrastructure development, to improve living conditions for Kitikmeot Inuit. I would like to take this opportunity to provide a brief overview of KC's activities over the past twelve months to develop new business opportunities in ways we believe are meaningful for Kitikmeot beneficiaries:

- KC incorporated five new Kitikmeot Inuit majority owned subsidiaries that are actively developing business and Inuit employment opportunities in the communications, renewable energy, sea transport, land surveying and environmental engineering sectors.
- We began actively pursuing telecommunications projects in Nunavut through a 50/50 business partnership with Sakku Investments Group, the regional Inuit development subsidiary of the Kivalliq Inuit Association,
- KC, through its subsidiary Hiqiniq Energy Corporation, has been working with a partner and with Agnico Eagle Mines on an opportunity to sell power to the Hope Bay mine operation by installing and operating wind turbine and battery storage infrastructure. Our subsidiary recently received grant approval for \$25M from the federal Smart Renewables and Electrification Pathways program in support of this project. Further work is underway with AEM to negotiate a power purchase agreement and we are optimistic that this project could begin construction as early as 2024.
- A similar project to install and operate wind turbine and battery storage infrastructure at Goose Lake is currently in development with B2Gold.
- Kitikmeot Corporation is also assisting with community energy plan development in several Kitikmeot communities. In Cambridge Bay, we are working with community stakeholders and federal and territorial agencies to explore the viability of developing renewable wind and solar infrastructure that can meet the community's energy goals for the future. We hope to expand these efforts to all Kitikmeot communities over time.
- Medic North Nunavut, a wholly owned subsidiary of Kitikmeot Corp, had historically been challenged by limited market opportunities in the Kitikmeot. This appeared to change during COVID as demand for testing services provided MNN with an opportunity to showcase its competence and professionalism. In late 2021 MNN was awarded a contract by the GN to provide nurse training across Nunavut. In 2022 MNN was awarded a substantial contract by the GN to provide paramedic services at all health centres across Nunavut and earlier this year the contract was extended to the end of 2023.



New, larger Leduc AB location acquired by Larga Ltd., providing improved services and support for Kitikmeot Inuit travelling to Edmonton for medical purposes.

Larga Ltd.

I'd now like to share with you some recent news regarding Larga Ltd in Edmonton. Over the past several years the volume of individuals staying at the Larga facility had grown such that the staff has had to consistently place overflow guests in local hotels. Prior to the pandemic, the Larga Board began to explore options to support this current and future growth in activity.

You've likely heard that the Larga Board was successful in finding a new home for the Edmonton Larga facility at 8332 Sparrow Crescent, Leduc County, near the Edmonton airport.

This new facility has over 100 rooms, each with a mini fridge, microwave, television, and washroom which will ensure guests are very comfortable. Larga guests no longer have to share bedrooms or washrooms and have elevator access to all floors. Meals are provided in a large, comfortable dining room. Guests also have access to a fitness room, swimming pool and hot tub.

The new Larga location welcomed its first guests during the summer. Within days of starting operations with a full capacity of approximately 120 medical travelers and escorts, the Larga staff made arrangements to accommodate approximately 70 additional medical travelers evacuated from Larga Kitikmeot in Yellowknife. This speaks volumes as to the competency and dedication of our Larga management and staff in both the Edmonton and Yellowknife locations, and I ask that you join me in recognizing and commending their efforts to support our beneficiaries through this trying ordeal.

Nunavut 3000

Last October the Government of Nunavut and the Nunavut Housing Corporation announced the launch of the Nunavut 3000 strategy, an ambitious, transformational project that acknowledges the right of all Nunavummiut to live in adequate, safe, and healthy homes. The Nunavut 3000 project intends to deliver 3,000 new housing units in Nunavut by 2030.

A key delivery vehicle for the execution of Nunavut 3000 is NCC Investments Group, an Inuit-owned construction and property management firm of which KC is a shareholder. NCC has been tasked with building 2000 homes in Nunavut by 2030. The management team at KC actively participates with NCC management and other NCC shareholders to assist NCC with delivering on this requirement while supporting local trades and management training for Inuit and utilizing local Inuit owned businesses.

This year construction for Nunavut 3000 in the Kitikmeot region will begin with NCC starting construction on a 12-plex in Cambridge Bay and both an 8-plex and a 12-plex each in the hamlets of Gjoa Haven and Taloyoak to support social housing requirements.

3000

TOTAL NEW HOUSING UNITS
BY 2030

2000

HOMES TO BE BUILT
BY NCC



Kitikmeot Region Property Developments

Following is a summary of KC's subsidiary Kitikmeot Region Properties Inc. (KRPI) major accomplishments over the past year.

Earlier in 2023 KRPI delivered several new facilities for use by the KIA. The first is a multi-use building in Kugaaruk that provides working space for local KIA employees to deliver services and programming to the community. This building is approximately 2,100 square feet and contains four offices and space for program activities.

The second is a multi-use building in Taloyoak that also provides working space for local KIA employees to deliver services and programming to the community. This building is approximately 3,100 square feet and contains five offices, space for program activities and space for the Aboriginal Head-Start pre-school program. Both of these multi-use buildings were built and are managed by NCC under contract with KRPI.

KRPI has several additional projects in development for the KIA, including the purchase of detached properties in Kugluktuk and the build of two duplexes

in Cambridge Bay for KIA staff housing to be delivered later this year.

Renovations are also underway of the Old Lands Office in Kugluktuk. The renovated office building will provide KIA with three additional staff offices, a large multi-use boardroom and a second multi-use room which could be used as an office or program space. The expected completion time for this project is the fall of 2023.

One final comment as I wrap up my report. As noted earlier, this summary highlights Kitikmeot Corporation's key activities and accomplishments over the past twelve months. A full reporting of all of KC's ongoing activities and achievements would far exceed my allotted time. Given the volume of our successful business developments and accomplishments, I'd like to take this opportunity to recognize our small but mighty team's collaborative spirit, remarkable dedication and efficiency. This team's ability to achieve so much is a testament to their outstanding teamwork and work ethic.

Thank you for your attention and Koana.