

Beverly and Qamanirjuaq Caribou Management Board



Letter to Ministers

December 1, 2013

The Hon. Bernard Valcourt, Minister

*Aboriginal Affairs and Northern Development Canada
House of Commons
Parliament Buildings
Ottawa, ON K1A 0A6*

The Hon. Gord Mackintosh, Minister

*Manitoba Conservation and Water Stewardship
Legislative Building, Room 330
450 Broadway
Winnipeg, MB R3C 0V8*

The Hon. J. Michael Miltenberger, Minister

*Department of Environment and Natural Resources, NWT
P.O. Box 1320
Legislative Assembly
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The Hon. James Arreak, Minister

*Department of Environment, Nunavut
P.O. Box 1200
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Iqaluit, NU X0A 0H0*

The Hon. Ken Cheveldayoff, Minister

*Ministry of Environment, Saskatchewan
Legislative Building, Room 315
2405 Legislative Drive
Regina, SK S4S 0B3*

Dear Ministers:

I have the honour of presenting the 31st Annual Report of the Beverly and Qamanirjuaq Caribou Management Board, together with the financial statements, for the fiscal year ended March 31, 2013.

Respectfully submitted,



Earl Evans

Chair

Beverly and Qamanirjuaq Caribou Management Board

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Photos throughout annual report supplied by Daryll Hedman, Manitoba.

Message from the Chair

I'm honoured once again to present the Beverly and Qamanirjuaq Caribou Management Board's annual report for the year ending March 31, 2013. It's been another active year for our organization and there were some major accomplishments that took place this year—together with many smaller but equally important achievements.

A critical piece of the Board's foundation is its caribou management plan and members worked aggressively on the plan this year with many long-standing issues resolved and important decisions made. There is more work to do on the plan but the working group should be applauded for its hard work on what essentially forms the backbone of BQCMB. Completion of the plan is expected by the end of 2013, when it will be circulated to the entire Board for approval.

A couple of mineral exploration and mining development projects were at the centre of some of the Board's analysis, correspondence and recommendations this year: the Victory Lake and Kiggavik projects in Nunavut.

Anconia Resources Corporation is in the process of evaluating its mineral claims in the Victory Lake area for base and precious metals—including lead, zinc, gold, copper and silver. The Board's position is that there is clear potential for Anconia's exploration activities to result in significant impacts to Qamanirjuaq caribou through disturbance and cumulative effects on both the animal and its critical habitat. The mineral claims lie in the heart of the traditional calving ground of Qamanirjuaq caribou—roughly centered between Whale Cove, Baker Lake and Rankin Inlet in Nunavut.

AREVA's proposed Kiggavik uranium mine and mill, near Baker Lake, would consist of one underground and four open-pit mines and would empty part of a lake, build a road through habitat crucial to caribou and create a winter road across a Canadian heritage river. In its present form, the project would also establish a precedent for other potential uranium mining developments in Nunavut. BQCMB's long-standing position on the proposed mine is that it would cause significant impacts on caribou, caribou habitat and hunting activities. This includes numerous short and long-term potential impacts and cumulative impacts associated with disturbance, radioactive materials and environmental contaminants.

In June 2012, as a full participant in the technical review of the Kiggavik project being conducted by the Nunavut Impact Review Board (NIRB), BQCMB submitted numerous information requests with accompanying concerns to NIRB. Subsequently, the Board prepared extensive technical review comments on AREVA's draft environmental impact statement.

Message from the Chair

Over the years of my involvement with BQCMB I have found it useful to clarify our role—not only to others outside the organization but for those of us inside as well. The Board was not established to prevent development but rather to find ways of reducing developmental impacts on caribou. Sometimes our purpose is best served by simply helping to convince individuals and organizations to slow down in order to collect as much relevant data on caribou movements and habitats first. That way, all concerned can more properly assess the real risks and potential threats to the great barren-ground caribou of the north.

I want to sincerely thank our past Chair—Albert Thorassie—for his many contributions during his tenure with the Board and everyone associated with BQCMB this year for their hard work and attention to detail. I feel very privileged to not only serve on the Board but to provide direction and guidance as its Chair.



Earl Evans

Chair

Beverly and Qamanirjuaq Caribou Management Board

December 1, 2013

Mission statement

To safeguard the caribou of the Beverly and Qamanirjuaq herds for traditional users who wish to maintain a lifestyle that includes the use of caribou, as well as for all Canadians and people of other nations.

Profile

The Beverly and Qamanirjuaq Caribou Management Board (BQCMB) is composed of hunters, biologists, and land and wildlife managers. The Board has advised governments, communities and many others since 1982 on ways to safeguard the Beverly and Qamanirjuaq barren-ground caribou herds of northern Canada.

In the past, many of the Aboriginal people of northern Manitoba, northern Saskatchewan, the Northwest Territories and Nunavut depended on Beverly and Qamanirjuaq caribou for food, clothing and shelter. Their days circled around the caribou—following these migratory animals during hunting seasons. When the animals were scarce, starvation—and even death—sometimes ensued.

Modern times have reduced the dependence on caribou—but not the significance of the animal to the culture and lifestyle of the region's Aboriginal peoples. With the high cost of transporting food and other goods into northern Canada, caribou meat continues to be an important country staple. The BQCMB 2005-2012 management plan described the value of the total harvest from both herds to be \$17 million annually—based on a 1990 evaluation—and a 2008 socio-economic analysis has pegged it closer to \$20 million.

In the late 1970s, population estimates caused some groups to fear the caribou herds were becoming endangered. There were also concerns that rising industrial development and the large numbers of people associated with that development could hurt the caribou's environment.

Fortunately, changing times also brought about changing attitudes and, for the first time, Canadian federal, provincial and territorial governments and scientists turned to caribou hunters to work together as a team to co-manage the herds. This state of affairs, in turn, gave rise to the BQCMB in 1982.

Acronyms & abbreviations

AANDC	Aboriginal Affairs and Northern Development Canada
BQCMB	Beverly and Qamanirjuaq Caribou Management Board
CNIB	Caribou News in Brief
ENR	Environment and Natural Resources, GNWT
GN	Government of Nunavut
GNWT	Government of the Northwest Territories
KIA	Kivalliq Inuit Association
LKDFN	Lutsel K'e Dene First Nation
NIRB	Nunavut Impact Review Board
NRI	Nunavut Research Institute
NTI	Nunavut Tunngavik Incorporated
NWMB	Nunavut Wildlife Management Board
NWT	Northwest Territories
NWTMN	Northwest Territory Métis Nation
PAGC	Prince Albert Grand Council



The annual caribou cycle

Most caribou from the Beverly and Qamanirjuaq herds have traditionally wintered in the sub-arctic forests of the Northwest Territories (NWT), Saskatchewan and Manitoba—with Beverly caribou using range in Alberta in some years and a portion of the Qamanirjuaq herd regularly wintering on the tundra along the coast of Hudson Bay. In recent years, however, few caribou have wintered in northern Saskatchewan or the southern NWT, and reconnaissance surveys conducted since 2002 have found a major downward trend in the number of cows using the traditional Beverly calving ground. In addition, satellite collar movements have indicated that some collared Beverly cows that previously calved on the traditional calving ground (primarily in Nunavut and a small portion in the NWT) have shifted their calving location north to an area near the coast of Queen Maud Gulf. These alterations in the Beverly herd's pattern of seasonal range use may have resulted entirely from changes in movements and habitat selection, from a major decline in the size of the herd, or from a combination of these factors.

The general areas and specific habitats used by Beverly and Qamanirjuaq caribou from year to year are determined by a combination of many factors, including weather, snow melt, plant phenology, predator avoidance and traditional use of the range. However, the general cycle of seasonal movements traditionally followed by these herds can be described as follows: In spring, the cows and yearlings are the first to migrate north to the calving grounds, followed by non-pregnant cows and young bulls. Adult bulls follow—up to a month later. After calving in early to mid-June, the caribou begin to form larger groups. By mid-July, aggregations of many thousands—including adult males—may be found on calm days. This behaviour is a response to mosquito harassment, and it also reduces predation by wolves, concentrating the caribou in a relatively small area.

Beginning at the end of July, a rapid migration back to the vicinity of the tree line occurs. In August, the caribou disperse in response to warble and nose bot flies. In some years, a migration back towards the calving grounds takes place. The timing of the fall migration from tundra to taiga varies from October to December. The rut occurs in late October, usually within the forest-tundra eco-zone. Mature bulls separate from the cow-calf-young bull groups soon after the rut. Traditionally by November, most of the herds are in the forest once again, although travel is usually rapid until snow accumulation deepens to 50 cm or more in February and March.

Traditional calving grounds are the cumulative general areas that have been used for caribou calving over the years. However, specific areas used for calving in a given year—annual calving areas—vary from year to year.

The value of caribou

In addition to their intrinsic value, caribou have both a spiritual and an economic significance—particularly to the inhabitants of northern Canada. Approximately 21,000 people live on or near the range of the Beverly and Qamanirjuaq herds and the majority of them are of Aboriginal ancestry. Using caribou fulfills social, cultural and economic needs and forms the foundation and legacy of several cultures.

Lean caribou meat is often more nutritious than imported foods. In northern communities fresh meat and produce are limited and import costs are high. A 2008 socio-economic evaluation of the Beverly and Qamanirjuaq herds calculated the total annual net economic value of the caribou harvest at more than \$20 million, based on harvest estimates for 2005-06. Additional benefits from caribou are derived from the use of skins for clothing and bedding, and bones and antlers for handicrafts.

Clearly, the use of caribou is important to the culture and traditional lifestyle of Aboriginal peoples and is essential to preserving and, where necessary, revitalizing their cultures.



The year in review

April 1, 2012 to March 31, 2013

Caribou monitoring & management

Manitoba

Note: The summaries in this section are based on observations from harvesters, other residents of caribou range communities and government biologists.

The fall 2012 movements of Qamanirjuaq caribou into Manitoba appeared strong in number—based on observations alone. Individuals from various hunting camps on the caribou range reported seeing high numbers of animals throughout the fall. In addition, provincial licensing authorities stated that licences for both residents and non-residents alike were sold out for the fall hunt.

Conversely, numbers of caribou observed during the winter season were very low and resident hunters along the winter road and inland lake areas of northern Manitoba were generally unsuccessful. All licences were sold out for the winter hunt but, again, harvest numbers appeared low compared to other years. People from the communities of Tadoule Lake and Lac Brochet also sighted few caribou in the vicinity during the winter of 2012-13 and no caribou were reported at South Indian Lake for this reporting period.

Three patrols were undertaken by Manitoba's Conservation and Water Stewardship staff during the fiscal year—all reporting minimal harvesting infractions. In addition, there were a number of large fires throughout the caribou range in northern Manitoba—particularly intense during the month of July 2012—which may have affected herd movements the following winter. Forest fires can have significant impacts for caribou herds as they create habitat loss and force them to change their range use patterns.

Caribou monitoring & management

Northwest Territories

GNWT-ENR initiated a health and condition and harvest reporting project with the community of Lutsel K'e two years ago and have committed to supporting the work on an ongoing basis. The project is designed to mirror the 2010 joint Tli Cho and ENR community-based monitoring program for the Bathurst and the Bluenose-East herds. This program was established so that caribou monitors would collect basic and easily obtained CARMA (CircumArctic Rangifer Monitoring and Assessment) Level 1 health and condition samples (such as back-fat measurements, one-kidney collection, hunter evaluation of the animal's condition, pregnancy). In addition, hunters were asked by the monitors to record the number of caribou shot, as well as sex, estimated age, and location of the harvest. The following data is based on the 27 GPS satellite collars that were deployed in March 2012 (the end of the previous reporting period):

One collared cow was shot by a hunter and the collar returned to NWT's Environment and Natural Resources. The level of blood serum progesterone in samples taken in the 26 remaining caribou revealed 16 were pregnant (62 per cent)—lower than expected for barren-ground caribou. In June 2012, two of the collared cows went to the Qamanirjuaq calving ground.



Caribou monitoring & management

Northwest Territories *(continued)*

These collars were deployed southwest of Rennie Lake, in an area thought to be used by both Beverly and Qamanirjuaq caribou and just west of where collared Qamanirjuaq cows had wintered. The remaining 19 cows (there were six mortalities between March and June 2012) migrated to the Beverly or Ahiak calving grounds (which overlap geographically in the central Queen Maud Gulf). As the use of wintering areas for the caribou has been variable in early 2012 and the winter of 2012-13, GNWT-ENR doesn't feel confident in assigning herd status for all collars at the present time.

During this full reporting year, 12 collared cows died, so as of March 31, 2013, there were 14 active collars from this deployment.

Late winter distribution and cancelled spring recruitment survey

A reconnaissance survey was conducted in March 2013 to prepare for a recruitment survey. The reconnaissance provided a snapshot of the distribution of caribou—located either in areas of overlap with adjacent herds or in remote areas not easily accessed.

The planned spring recruitment survey (which estimates overwinter calf survival) was cancelled due to the distribution of caribou and overlap with adjacent herds. Qamanirjuaq cows wintered farther west and north than recent years, into areas accessed by NWT hunters (based on collared cows and reported movements of caribou). North of Artillery Lake, both Bathurst and Beverly caribou wintered in the same area.

Large groups of caribou were observed in the Thelon River area during the reconnaissance survey, which is farther east than most hunters travel. Reports from hunters, officers on caribou patrols and the caribou sign (old tracks and craters) seen during the survey all confirmed that in the southern part of the winter range, caribou wintered in an area that could be described as an east-west line stretching between Eileen Lake to Selwyn Lake. Reports from hunters and officers noted that few or no caribou were observed west of this line but thousands of caribou wintered in the southeast corner of the NWT. On consecutive patrols over the caribou range, conservation officers also observed thousands of caribou in the Selwyn Lake area on March 21, 2013 and only some stragglers in the same area on March 24, 2013 as the Qamanirjuaq herd migrated east out of the area.

Caribou monitoring & management

Saskatchewan

Note: Some observations in this section overlap into neighbouring provinces and territories—such as Manitoba and NWT. All communities and locations mentioned from anywhere other than Saskatchewan are identified as such.

Saskatchewan hunters reported that the earliest sightings in the fall 2102 caribou migration were in late October on Rennie Lake, NWT. Reports were also received of a large concentration of animals that had moved from Black Lake to Rennie Lake in early January 2013.

Residents from Fond du Lac reported caribou on Scott Lake and Ivanhoe Lake, NWT, in mid-January 2013. Sightings of caribou were noted near Snowbird Lake, NWT on November 1, 2012 and later, hunters from Wollaston Lake were finding caribou plentiful northwest of Lac Brochet, Manitoba and beyond, to Kasba Lake, NWT. A collared caribou was reported on Bompas Lake on November 14, 2012 and large numbers of caribou were scattered over the winter range from Lac Brochet westward into Saskatchewan. Reports were also received of caribou in the Lac Brochet area in early January 2013.

Conservation officers collected information on the caribou harvest on Bompas Lake and east of Black Lake along the Fond du Lac River on December 4, 2012. Caribou were 30 minutes by snowmobile northeast of Wollaston Lake on December 5, 2012 and later seen on Hatchet Lake. Conservation officers also reported on December 12, 2012 that large numbers of caribou had moved into the Wollaston Lake area and south to Brochet on Reindeer Lake and north of Scott Lake in early January 2013.

BQCMB member Dennis Larocque of Camsell Portage also found small numbers of caribou to hunt north of Scott Lake in March 2013 and reported that Fort Chipewyan, Alberta hunters travelling by snowmobile to range in NWT north of Fond du Lac brought back several sled-loads of caribou in late winter.

As in previous years, there was a negligible harvest of caribou by Saskatchewan sport hunters—accounting for only one or two caribou.

Caribou monitoring & management

Saskatchewan *(continued)*

Update on community-based monitoring

Saskatchewan's Ministry of Environment withdrew financial support in 2012 for the community-based monitoring system of the barren-ground caribou herds that use northern Saskatchewan as their winter range.

Created in 2006, the plan called for hiring a biologist to monitor the Beverly and Qamanirjuaq herds with the help of hunters and other caribou-using people in Saskatchewan's range communities. The proposal was initially rejected for financial reasons and so collaboration was sought between the Ministry, GNWT and the Prince Albert Grand Council. This equal cost-sharing solution proved successful and beginning in 2010, the three parties each contributed \$40,000 to the Athabasca Community-Based Monitoring Project on a five-year trial basis.

Saskatchewan biologist Tina Giroux submits reports twice a year to the BQCMB on the community-based monitoring activity.

Traditional caribou-using people in Saskatchewan are located in six communities: Camsell Portage, Uranium City, Fond du Lac, Stony Rapids, Black Lake and Wollaston Lake. It's been estimated that approximately 80 per cent of the Beverly harvest and about 50 per cent of the Qamanirjuaq harvest could be attributed to these people—with the Athabasca Denesuline making up the group's largest percentage. Over the years, improvement in access to these communities has resulted in more hunting by many—including hunters from south of the caribou range as well as those from caribou range communities.

As the Beverly herd declined, its winter range retracted northward out of the province to the treeline in NWT and harvest by Saskatchewan's caribou-using people also declined. To compensate, they have shifted to harvesting a greater percentage of the Qamanirjuaq herd—a condition that should be monitored closely, particularly since that caribou population may be in decline.

Caribou monitoring & management

Nunavut

In Nunavut, no fall or spring composition survey for the Beverly or Ahiak herds took place in 2012 or 2013—either because of lack of funding or because the caribou were out of survey range.



Confirmation of funding for 10-year agreement

As of the November 2012 Board meeting, all governments had pledged support for BQCMB's new 10-year agreement but signed letters—and the accompanying funds—remained in various states of approval. The Government of Canada appointed a new representative to the Board, Jeff Mercer, and confirmed its funding commitment. With five governments funding the Board's core operations—Saskatchewan, NWT, Nunavut, Manitoba and Canada—it was essential to obtain commitments well before the current agreement expired. The November Board meeting provided the opportunity for government representatives to collectively brainstorm on how to finalize all five agreements.

For BQCMB's fourth 10-year agreement, most of the changes were minor, such as updating department names and contemporary functions. The Board recommended two major changes however:

>That the definition of the Beverly herd be changed to describe the herd as a “complex of barren-ground caribou that gives birth to its young near Beverly Lake and the Queen Maud Gulf area in Nunavut.”

>That the parties share administrative costs of \$125,000 annually (\$25,000 each), compared to the previous annual total of \$75,000 (\$15,000 each), an amount that had not changed since the agreement was initiated in 1982.

At fiscal year end in March 2013, all parties but the Government of Nunavut had signed the 2012-2022 Agreement.



Caribou Management Plan—2013-2022

With renewed commitments to BQCMB in 2012, the need to create a contemporary caribou management plan for the Beverly and Qamanirjuaq herds was apparent. Having a long-term management strategy to guide the Board throughout the next decade is critical—similar plans have governed BQCMB since its beginning.

The committee charged with drafting the new plan was initially appointed at the Board's November 2011 meeting and the first committee meeting took place in February 2012. Further meetings were held prior to the May and November 2012 Board meetings and a four-day meeting occurred in March 2013 to review and revise the first draft.

The new management plan will identify goals and objectives for the Board's next 10-year term as well as suggested action items for consideration by the Board during their annual planning sessions. The committee thus far has identified primary objectives in support of caribou and habitat conservation in five main areas: cooperative management; research, education and communication; population and harvest monitoring; population and habitat conservation; and management of human use of caribou and their habitats. The new plan also makes it a high priority to use all forms of knowledge in management, including local and traditional knowledge and scientific knowledge and to increase community involvement in monitoring and managing the caribou herds and their habitats.

The 2013-2022 management plan will contain some similar content to the previous plan but much new material will be added, including sections on herd monitoring, vulnerability assessment, sustainable use of caribou and commercial land use and cumulative effects. The vulnerability of the caribou herds will be assessed by the Board annually using information about population size and trends; seasonal distribution; herd productivity and health; harvest levels; range quality; quantity and availability; predators and insects; human-caused disturbance; and weather and climate. The assessment results will be used by BQCMB to identify priorities for conservation and management actions to be taken by the Board or recommended to governments, communities and others.

Board members contributing to the management plan

Alicia Kelly (GNWT)	Earl Evans (NWTMN)
Archie Catholique (Akaitcho Government)	Florence Catholique (Akaitcho Government)
Daryll Hedman (Government of Manitoba)	Jan Adamczewski (GNWT)
David Vetra (Government of Nunavut)	Mitch Campbell (Government of Nunavut)
Dennis Larocque (Northern SK communities)	Tim Trottier (Government of Saskatchewan)

Facilitators for committee meetings were provided by the Government of Saskatchewan (Alison Biese) and Nunavut Tunngavik Inc. (David Lee) and assistance with the communication section by the Government of Manitoba (Christine Tymchak). Leslie Wakelyn, the Board's contract biologist is a contributing author/editor and is coordinating production of the plan.

Supplemental funding was provided to BQCMB by the NWT Department of Environment and Natural Resources. The governments of Manitoba, Saskatchewan, Nunavut and NWT each provided additional support for board members' travel costs.

CARMA 8 conference

Board chair Earl Evans, GNWT alternate Jan Adamczewski and contract biologist Leslie Wakelyn attended the eighth CircumArctic Rangifer Monitoring and Assessment (CARMA) conference in Vancouver in early December 2012. CARMA consists of a network of managers, researchers and community residents who share information about the world's wild *Rangifer* (reindeer and caribou) populations and how they're affected by global impacts—such as climate change and industrial development. BQCMB is a long-standing partner of the organization and has also presented at past conferences. CARMA held its first international conference in 2004.

At the CARMA 7 conference in 2010, participants identified four actionable themes which formed the basis of the CARMA 8 conference: management of critical habitats (especially calving grounds); management and monitoring needs through changing caribou abundance; cumulative effects assessment; and development of a caribou health monitoring program.



Analysis, comments, recommendations & responses

Note: Items below provide both long (where warranted) and short summaries of some of the Board's more notable correspondence with various companies, regulatory groups, and government departments in the fiscal year.

Anconia Resources Victory Lake area project

The Anconia Resources Corporation is in the process of evaluating its Victory Lake area project mineral claims for base and precious metals—including lead, zinc, gold, copper and silver. The Board's position is that there is clear potential for Anconia's exploration activities to result in significant impacts to Qamanirjuaq caribou through disturbance and cumulative effects on both the caribou and the herd's crucial habitat. As well, if Anconia's exploration work is favourable and they decide to pursue advanced exploration and development of a mine—impacts on the caribou herd could escalate.

The explorations lie in the heart of the traditional calving ground of Qamanirjuaq caribou—roughly centered between Whale Cove, Baker Lake and Rankin Inlet in Nunavut. This area is crucial for Qamanirjuaq caribou during the calving season. It is also very important during the post-calving period (late June to end of July) and summer and fall (through September)—the periods when Anconia is conducting its exploration activities.

BQCMB submitted the following recommendations to the Nunavut Impact Review Board (NIRB) in January 2012 during screening of Anconia's application for land use permits required in the Victory Lake area:

- No exploration or development activities should be permitted on the calving ground of the Qamanirjuaq caribou herd. BQCMB doesn't agree with permitting exploration activities on calving and post-calving areas and recommends Anconia's application not be approved.
- Regulatory and other territorial and federal government agencies should also be taking action to identify and mitigate potential cumulative effects of human land-use activities—including mineral exploration—on barren-ground caribou.
- Should NIRB not yet be convinced that denying this permit is warranted, then at a minimum a Part 5 Review of the project proposal should be conducted by NIRB that includes a full and transparent public discussion in which all interested parties have the opportunity to present their views.

BQCMB has a long-standing position against mineral exploration and development on calving grounds. To formalize and publicize this position, the Board distributed a paper titled *Protecting Calving Grounds, Post Calving Areas and Other Important Habitats for Beverly and Qamanirjuaq Caribou* in September 2004.

In March and April 2012, NIRB recommended that Anconia's applications for work on Inuit-owned and federal Crown lands be processed without further review. In a May 2012 letter to NIRB, BQCMB requested that NIRB "immediately review its decision regarding the issuance of the permit" and reiterated the Board's earlier recommendation to make no further decisions regarding permit applications for land use activities on calving grounds without, at least, conducting a review that includes public consultation. The Board stressed that "time is of the essence, as the early June calving season is approaching, and protecting the Qamanirjuaq herd requires that the proposed project activities must not be permitted to occur."

Analysis, comments, recommendations & responses

In addition, a June 2012 letter from BQCMB to relevant ministers from the governments of Manitoba, NWT, Nunavut, Saskatchewan and Canada, stressed the Board's concerns and asked for their mutual support on this issue. The Board also asked for long-term legislated protection for calving and post-calving areas.

Unfortunately, the various governments have taken no action on the issue and NIRB refused to reconsider its recommendation. Subsequently, the Kivalliq Inuit Association (KIA) issued an Inuit land use licence for work starting in summer 2012 and AANDC issued a two-year federal land use permit (from February 2013 to February 2015).

Mitigation

In an attempt to reduce the impacts of the project on caribou, BQCMB recommended the following permit conditions in a June 2012 letter to KIA and AANDC:

1. Project activities must be prohibited between May 15 and July 15 if caribou are in the project area.
2. All activities must be suspended if caribou approach the area during spring migration—prior to May 15.
3. Activities should be allowed to resume after July 15 only if caribou are not in the area.
4. The proponent should be required to establish a rigorous caribou monitoring program for all project phases, including an independent caribou monitor.
5. The monitoring system should ensure that at least one day's advance notification is received for shutting down project activities if caribou are approaching, to ensure that potential disturbance is discontinued before caribou reach the project area.
6. There should be regular inspection of project operations, with enforcement of permit/licence terms and conditions and NPC's conformity requirements.

The Board also requested that Anconia recognize the importance and sensitivity of this issue and voluntarily do the utmost to minimize or eliminate disturbance to caribou. It also recommended that no further licences or permits should be issued for mineral exploration on the calving grounds of the Beverly or Qamanirjuaq herds.

AREVA Kiggavik Uranium Mine proposal

The proposed Kiggavik uranium mining and milling project, 80 km west of Baker Lake, Nunavut, for which application was formally made by AREVA Resources Canada in November 2008, has been under review by NIRB since March 2010. The Board is participating in the review with the assistance of participant funding provided by AANDC.

The proposed project includes one underground and four open-pit mines and a mill and would require the building of a winter and/or all-season road through caribou habitat and possibly across a Canadian heritage river. The project would also establish a precedent for other uranium mining developments in Nunavut. The earliest expectation for starting construction is 2018.

BQCMB's long-standing position on the proposed mine is that it would cause significant impacts on caribou, caribou habitat and caribou harvesters. This includes numerous short and long-term potential impacts and cumulative impacts associated with disturbance, radioactive materials and environmental contaminants. It is noteworthy that in his direction to NIRB to review the project in March 2010, the Minister of Indian and Northern Affairs (now AANDC) stressed the importance of a thorough cumulative effects assessment.

Analysis, comments, recommendations & responses

In May 2012, NIRB started its technical review of AREVA's revised draft environmental impact statement (DEIS). As a part of the review, BQCMB and other interested parties submitted information requests (IRs) to AREVA and other parties in June. In July 2012, NIRB uploaded 415 IRs to its online public registry that were received from 14 different organizations, including the Government of Nunavut, the Kivalliq Inuit Association, the Baker Lake Hunters and Trappers Organization, the Canadian Arctic Resources Committee and six federal government departments. BQCMB's submission included 25 IRs—most comprised of multiple questions—regarding AREVA's assessment of potential project impacts on caribou, habitat and caribou harvesters.

Many of the IR submissions were highly critical of the revised DEIS. Deficiencies in AREVA's approach to a cumulative effects assessment (CEA) were outlined by BQCMB and many of the other interested parties. Subsequently, the Board proposed a collaborative CEA for the project to NIRB that would either be led by BQCMB or conducted by AREVA, working with the intervenors. In its response, NIRB said it wasn't able to comply with either request.

NIRB forwarded the IRs it considered appropriate to AREVA in July 2012 and the company submitted its responses to NIRB in January 2013. In February 2013, NIRB introduced a 60-day technical review period and directed parties to review the DEIS and provide comments back to NIRB by April 8, 2013. Much of the work developing the Board's technical comments occurred in February and March 2013 and the final version of the comments on the DEIS was prepared in March and April 2013.

The Board's involvement in the Kiggavik review process is being led by contract biologist Leslie Wakelyn, with support from contractor Anne Gunn, a former GNWT caribou biologist. In addition, BQCMB contracted the Prince Albert Grand Council-Athabasca Land Use Office to document and provide input on the proposed project from Saskatchewan's Athabasca Denesuline communities. Initial comments were obtained during meetings in July 2012 in Black Lake, Fond du Lac and Hatchet Lake.

Information Requests

The list below provides a summary of the subjects of BQCMB's IRs directed at AREVA. The complete BQCMB IR submission can be found on NIRB's public registry:

- Incorporation of Traditional Knowledge (Inuit Qaujimagatuqangit and Aboriginal Traditional Knowledge from caribou harvesters outside Nunavut.)
- Baseline information: Uncertainty about caribou herds using the Regional Study Area, reliance on collared caribou, assessing change in caribou movements, heavy metal levels in lichens.
- Assessment of effects: Information on seasonal distribution and movements; potential interactions between project activities and wildlife; approach for measurable indicators.
- Cumulative effects assessment: Boundaries, scope, lack of quantitative analysis, inclusion of climate change, effects of roads and harvest, effects of disturbance, effects of induced road network.
- Trans-boundary impact analysis.
- Mitigation and monitoring: Roads and harvest levels, dustfall, heavy metal levels in lichens and berries, Wildlife Mitigation and Monitoring Plan, Nunavut General Monitoring Program.

Geological Survey of Canada (GSC)

Application by John Percival, GSC: In April 2012 the Board commented on a proposal from GSC for reconnaissance geology work requiring low level airborne surveys (below 300 m above ground level) in the area between the Queen Maud Gulf Migratory Bird Sanctuary and the Thelon Wildlife Sanctuary. Issues for the Board include the location and timing and methods of the proposed work, which would create potential disturbance of caribou as well as the the purpose of the project, which was mapping the region to facilitate mineral exploration activities in the area. The survey area included part of the Beverly calving ground south of Garry lake, key migration range to calving areas along the Quenn Maud Gulf and important post-calving and summer habitat. The survey work was proposed for the July-August period when caribou, including cows and calves, would likely be in the area.

The Board's first recommendation was that "The GSC should not pursue further geological mapping in caribou and post-calving areas and should not support mineral exploration in these areas." In May 2012, NIRB recommended a scientific research license be provided with conditions that included flight restrictions when caribou were known to be in the area and the Nunavut Research Institute issued a license for work between July 15 and August 31, 2013.

Application by Warner Miles, GSC: In August 2012, the Board sent comments to NIRB regarding a GSC proposal to amend a research licence issued in 2011 for another low-level aeromagnetic survey in the area between the Queen Maud Gulf Migratory Bird Sanctuary and the Thelon Wildlife Sanctuary. The application was for an amendment to the existing Scientific Research Licence to add two new research areas west of the previously surveyed areas (September and October 2012).

The Board had outlined concerns with the original project to NIRB in September 2011 and recommended that no airborne geological mapping be permitted in the area because of its importance to caribou. BQCMB was concerned about the amendment because the new survey areas covered a portion of the traditional Beverly calving ground as well as areas used regularly by caribou during post-calving and summer periods and during spring and fall migrations to and from calving areas further north.

Although NRCan outlined a mitigation and monitoring plan and committed to coordinate the survey schedule and locations with caribou collar information from Nunavut's Department of Environment, the Board believed caribou would still be disturbed—leading to negative impacts. BQCMB and NRCan agreed that land use planning needs to be implemented in Nunavut and that decisions need to be made by people in the region about what types of land uses they want to allow in key caribou habitats, including the calving grounds south of Garry Lake.

Although the Board stressed that there should be no airborne geological mapping in the area it conceded that, if allowed to proceed, the survey should be done in compliance with established caribou protection measures and extended through the entire survey period. The Board ultimately suggested that a more explicit monitoring plan be established that could detect caribou groups moving into survey areas so the surveys could be stopped or relocated before caribou are disturbed by the flights.

NIRB concluded that the proposed amendment did not change the general scope of the original project activities; the application was exempt from screening; and the original terms and conditions recommended by NIRB in October 2011 were sufficient. Subsequently, NRI issued amendments to the original research licence permitting survey work to occur during August to November 2012 and February to April 2013.

Land Use and Sustainability Framework

At the end of the 2012 calendar year, the Board submitted extensive comments to NWT Premier Robert R. McLeod on his government's Land Use and Sustainability Framework (LUSF) discussion paper and requested that it be involved during any subsequent stages in development of the LUSF. The Board was encouraged by some elements of the the discussion paper—such as its approach to the use of both scientific and traditional knowledge and the recognition of transboundary issues.

But the Board also described many concerns about the various aspects of the framework and was unclear what would change specifically regarding NWT land management when the GNWT assumes its new responsibilities for land and resource management following their devolution from the federal government. In addition, the paper provided little in the way of hard details regarding its specific programs and plans. As of this reporting period it is unclear what the GNWT's next steps will be on this issue.

Izok Corridor Project

In December 2012, the Board provided comment to NIRB on the proposal from the Minerals and Metals Group's (MMG) Izok Corridor Project—which includes base metal mining, milling and construction of a 350 km all-weather road on the range of the Bathurst barren-ground caribou herd.

These activities would occur on important habitats used by Bathurst caribou during sensitive periods (calving and post-calving) at a time when the herd is just beginning a possible recovery from a drastic decline. In addition, project infrastructure that includes construction of all-weather and winter roads and expansion and upgrading of airstrips may also cause increasing disturbance to the herd and long-term damage to key habitats. There is clear potential for MMG's proposed development activities to result in significant impacts to Bathurst caribou through disturbance and cumulative effects.

BQCMB was particularly concerned about this proposal because if approved, it would set a precedent for allowing development on barren-ground caribou calving and post-calving areas. This could have negative consequences for ongoing efforts to protect the Beverly and Qamanirjuaq calving and post-calving areas.

BQCMB's recommended that MMG's application not be approved and no further exploration or development activities be permitted on the calving ground and post-calving range of the Bathurst caribou herd. The Board also suggested MMG develop a new project proposal that doesn't include a road across the Bathurst calving and post-calving areas and that a "Part 6 Review" of the new project proposal should be conducted by a federal panel.

Annual report & board meetings

Annual Report

The Beverly and Qamanirjuaq Barren Ground Caribou Management Agreement (2012-2022) requires the Board to submit an annual report which shall include:

- a) a summary of Board activities, recommendations and responses by governments and traditional users;
- b) a review of the state of the Beverly and Qamanirjuaq herds and their habitat;
- c) a summary of harvests by jurisdiction and community;
- d) a financial statement for the operation of the Board.

Meetings in fiscal year

The Board met twice during the fiscal year: in May 2012 in Prince Albert, Saskatchewan and in November 2012 in Winnipeg, Manitoba.

Meetings and locations

1982 to 2012

#1 August, 1982	Saskatoon, SK	#38 April, 1995	Black Lake, SK
#2 January, 1983	Edmonton, AB	#39 September, 1995	Thompson, MB
#3 March, 1983	Lutsel K'e, NT	#40 February, 1996	Whale Cove, NU
#4 June, 1983	Yellowknife, NT	#41 June, 1996	Lutsel K'e, NT
#5 September, 1983	Black Lake, SK	#42 November, 1996	Winnipeg, MB
#6 January, 1984	Winnipeg, MB	#43 June, 1997	Wollaston Lake, SK
#7 April, 1984	Rankin Inlet, NU	#44 November, 1997	Thompson, MB
#8 August, 1984	Fort Smith, NT	#45 May, 1998	Tadoule Lake, MB
#9 November, 1984	Saskatoon, SK	#46 November, 1998	Fort Smith, NT
#10 April, 1985	Baker Lake, NU	#47 May, 1999	Arviat, NU
#11 August, 1985	Whitehorse, YK	#48 November, 1999	Winnipeg, MB
#12 November, 1985	Edmonton, AB	#49 May, 2000	Churchill, MB
#13 April, 1986	Thompson, MB	#50 November, 2000	Winnipeg, MB
#14 August, 1986	Arviat, NU	#51 June, 2001	Black Lake, SK
#15 April, 1987	Saskatoon, SK	#52 November, 2001	Yellowknife, NT
#16 August, 1987	Winnipeg, MB	#53 May, 2002	Baker Lake, NU
#17 November, 1987	Fort Smith, NT	#54 November, 2002	Winnipeg, MB
#18 April, 1988	Winnipeg, MB	#55 May, 2003	Fond du Lac, SK
#19 August, 1988	Stony Rapids, SK	#56 November, 2003	Winnipeg, MB
#20 November, 1988	Winnipeg, MB	#57 May, 2004	Fort Smith, NT
#21 April, 1989	Baker Lake, NU	#58 November, 2004	Winnipeg, MB
#22 August, 1989	Lac Brochet, MB	#59 May, 2005	Rankin Inlet, NU
#23 December, 1989	Winnipeg, MB	#60 November, 2005	Winnipeg, MB
#24 April, 1990	Fond du Lac, SK	#61 May, 2006	Prince Albert, SK
#25 August, 1990	Lutselk'e, NT	#62 November, 2006	Winnipeg, MB
#26 December, 1990	Winnipeg, MB	#63 June, 2007	Thompson, MB
#27 March, 1991	Yellowknife, NT	#64 November, 2007	Winnipeg, MB
#28 August, 1991	Prince Albert, SK	#65 May, 2008	Fort Smith, NT
#29 December, 1991	Fort Smith, NT	#66 November, 2008	Winnipeg, MB
#30 April, 1992	Arviat, NU	#67 May, 2009	Prince Albert, SK
#31 December, 1992	Uranium City, SK	#68 November, 2009	Winnipeg, MB
#32 April, 1993	Winnipeg, MB	#69 May, 2010	Wollaston Lake, SK
#33 September, 1993	Prince Albert, SK	#70 October, 2010	Winnipeg, MB
#34 January, 1994	Winnipeg, MB	#71 May, 2011	Thompson, MB
#35 April, 1994	Baker Lake, NU	#72 November, 2011	Winnipeg, MB
#36 September, 1994	Winnipeg, MB	#73 May 2012	Prince Albert, SK
#37 January, 1995	Prince Albert, SK	#74 November, 2012	Winnipeg, MB

BQCMB officers & members

Officers

Earl Evans (Chair, from May 2012)
Albert Thorassie (Past Chair, 2008 to May 2012)
Tim Trottier (Vice-Chair, Administration)
Daryll Hedman (Vice-Chair, Operations)
Ross Thompson (Executive Director)

Members and representatives

Date appointed

Canada

Representing the Government of Canada:
Jeff Mercer (Iqaluit)

August 2012

Manitoba

Representing the communities of northern Manitoba:

Jerome Denechezhe (Lac Brochet)
(former Chair, 1993-1998; 2005-2008)

June 1982

Alternate: Adam Nalge (Lac Brochet)

Albert Thorassie (Tadoule Lake)

August 1991

(former Chair 2008-2012)

Alternate: Geoff Bussidor (Tadoule Lake)

Representing the Government of Manitoba:

Daryll Hedman (Thompson)

February 2004

Alternate: Vicki Trim (Thompson)

Northwest Territories

Representing the Northwest Territory Métis Nation:

Earl Evans (Fort Smith)

November 2003

Alternate: Arthur Beck (Fort Resolution)

Representing the Akaitcho Government:

Archie Catholique (Lutsel K'e)

April 2008

Alternate: Florence Catholique (Lutsel K'e)

Representing the Government of the Northwest Territories:

Allicia Kelly (Fort Smith)

September 2009

Alternate: Jan Adamczewski (Yellowknife)

Nunavut

Representing the Kivalliq Wildlife Board:

Laurent Angalik (Arviat)

May 2006

Thomas Elytook (Baker Lake)

May 2006

Representing the Government of Nunavut:

Mitch Campbell (Arviat)

November 2011

Alternate: David Vetra (Arviat)

Saskatchewan

Representing the communities of northern Saskatchewan:

Dennis Larocque (Camsell Portage)

November 2006

Alternate: Billy Shott (Uranium City)

George Tsannie (Wollaston Lake)

June 2007

Alternates: Joe Martin (Fond du Lac) and Phillip Josie (Wollaston Lake)

Representing the Government of Saskatchewan:

Tim Trottier (La Ronge)

March 1983

Alternate: Chuck Lees (Regina)

January 2010

BEVERLY AND QAMANIRJUAQ
CARIBOU MANAGEMENT BOARD

FINANCIAL STATEMENTS

March 31, 2013

BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT BOARD

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For the year ended March 31, 2013

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INDEPENDENT AUDITOR'S REPORT

Box 1038, Unit 2-278 Main Street
Stonewall, MB R0C 2Z0
Telephone (204) 467-5566
Fax (204) 467-9133

To the Board Members
Beverly and Qamanirjuaq Caribou Management Board

Report on the Financial Statements

I have audited the accompanying financial statements of Beverly and Qamanirjuaq Caribou Management Board, which comprise the statement of financial position as at March 31, 2013 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Beverly and Qamanirjuaq Caribou Management Board as at March 31, 2013 and its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

CERTIFIED GENERAL ACCOUNTANT

Stonewall, Manitoba
July 11, 2013

BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT BOARD

Statement of Financial Position

March 31, 2013

	2013	2012	2011
Assets			
Current assets:			
Cash	\$ 6,474	\$ 66,753	\$ 80,713
Accounts receivable	77,500	1,947	9,617
GST receivable	6,472	2,222	6,938
	90,446	\$ 70,922	\$ 97,268
Long-term investment (note 3)	30,000		
	\$ 120,446	\$ 70,922	\$ 97,268
Liabilities and Net Assets			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 4,328	\$ 4,043	\$ 3,792
Unearned revenue (note 4)	34,234	-	6,436
Payable to Scholarship fund (note 5)	23,549	25,049	25,049
	62,111	29,092	35,277
Net assets:			
Unrestricted net assets	58,335	41,830	61,991
	58,335	41,830	61,991
	\$ 120,446	\$ 70,922	\$ 97,268

On behalf of the Board:



Earl Evans, Chair, BQCMB



Ross Thompson, Executive Director, BQCMB

The accompanying notes are an integral part of these financial statements.

BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT BOARD

Statement of Earnings

For the year ended March 31, 2013

	Budget	2013	2012
Revenue			
Core funding			
AANDC (schedule)	\$ 25,000	\$ 25,000	\$ 15,000
Northwest Territories	25,000	25,000	15,000
Saskatchewan	25,000	25,000	15,000
Manitoba	15,000	15,000	15,000
Nunavut	25,000	25,000	15,000
	115,000	115,000	75,000
AANDC - Kiggavik review	-	30,647	-
AREVA	25,000	25,000	50,000
CAMECO	-	-	25,000
Workshop - NWT	-	-	10,000
Government of NWT	86,000	84,968	-
Province of Manitoba - meeting support	-	3,151	-
Other revenue	-	540	4,562
	111,000	144,306	89,562
Total revenue	226,000	259,306	164,562
Expenditures			
Administration			
Meeting expense	2,500	4,023	2,320
Executive Director fees and travel	30,500	27,393	26,650
Audit and bank charges	5,050	4,864	4,566
Office expense	1,400	941	2,583
	39,450	37,221	36,119
Programs			
BQCMB management plan development (NWT funds)	41,000	44,360	-
Kiggavik review	-	29,355	1,292
Public relations and education	10,500	13,859	14,561
Contracts - Board support	60,000	38,524	39,621
Community projects	15,000	23,750	16,250
Workshop	2,510	3,151	10,807
Communication, community information and dialogue project (schedule)	30,001	8,321	10,612
Collaring project (schedule)	47,500	44,260	55,461
	206,511	205,580	148,604
Total expenditures	245,961	242,801	184,723
Excess (deficiency) of revenue over expenditures		\$ 16,505	\$ 20,161

The accompanying notes are an integral part of these financial statements.

BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT BOARD

Statement of Changes in Net Assets

For the year ended March 31, 2013

	2013	2012
Net assets, beginning of year	\$ 41,830	\$ 61,991
Excess (deficiency) of revenue over expenditures	16,505	(20,161)
Net assets, end of year	\$ 58,335	\$ 41,830

The accompanying notes are an integral part of these financial statements.

BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT BOARD

Statement of Cash Flows

For the year ended March 31, 2013

	2013	2012
Operating activities		
Excess (deficiency) of revenue over expenditures	\$ 16,505	\$ (20,161)
Changes in non-cash working capital:		
Accounts receivable	(75,553)	7,670
GST receivable	(4,250)	4,716
Accounts payable and accrued liabilities	285	251
Unearned review revenue	34,234	(6,436)
Payable to Scholarship fund	(1,500)	-
	(46,784)	6,201
Cash flow from (used by) operating activities	(30,279)	(13,960)
Investing activity		
Long-term investment	(30,000)	-
Increase (decrease) in cash flow	(60,279)	(13,960)
Cash - beginning of period	66,753	80,713
Cash - end of period	\$ 6,474	\$ 66,753

The accompanying notes are an integral part of these financial statements.

BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT BOARD

Notes to Financial Statements

For the year ended March 31, 2013

1. First time adoption of accounting standards for non-profit organizations:

During the period the company adopted accounting standards for not-for-profit organizations. These financial statements are the first prepared in accordance with these standards. The changes have been applied retrospectively, however, no changes were required to be made to the prior year figures.

2. Significant accounting policies:

(a) Nature of Business:

The Board was established in June 1982 and is a not-for-profit registered charity. It provides advice on the management of barren ground caribou and their habitat to aboriginal groups and federal and provincial governments. The Board is also involved in providing public education and information regarding these caribou, and monitoring caribou in relation to climate change.

(b) Revenue Recognition:

The Board uses the accrual basis of accounting for revenue and expenditures and follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(c) Financial instruments:

The Board's financial instruments consist of cash and accounts receivable. Unless otherwise noted, it is management's opinion that the Board is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying value.

(d) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT BOARD

Notes to Financial Statements

For the year ended March 31, 2013

3. Long-term investment:

The guaranteed investment certificate purchased November 2, 2012 replaces a guaranteed investment certificate that matured February 16, 2011.

4. Unearned review revenue:

Aboriginal Affairs and Northern Development Canada provided support to Beverly and Qamanirjuaq Caribou Management Board for the Kiggavik review. During the 2012-2013 fiscal year, the Aboriginal Affairs and Northern Development Canada contributed \$64,881.00 toward the Kiggavik review. Expenditures during the 2011-2012 and 2012-2013 fiscal years were \$30,646.74. The remainder of the support from Aboriginal Affairs and Northern Development Canada is to be used for the Kiggavik review in the 2013-2014 fiscal year.

5. Payable to Scholarship Fund:

The amount consists of the excess of payments made to scholarship recipients less interest deposited for the Beverly and Qamanirjuaq Caribou Management Board Scholarship Fund. The amount payable to Scholarship Fund is non-interest bearing, unsecured and has no specified terms of repayment.

BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT BOARD

Statement of Project Revenues and Expenditures

For the year ended March 31, 2013

	2013	2012
Revenue		
AREVA	\$ 25,000	\$ 50,000
CAMECO	-	25,000
Government of Nunavut	84,968	-
	109,968	75,000
Expenditures		
Equipment	44,260	50,461
Herd surveys	-	5,000
	44,260	55,461
Public relations and education	2,050	10,594
Community projects	23,750	16,250
Professional and administration fees	6,271	18
BQCMB management plan development (NWT funds)	44,360	-
	76,431	26,862
Excess (deficiency) of revenue over expenditures	\$ (10,723)	\$ (7,323)

BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT BOARD

Statement of AANDC Core Funding

For the year ended March 31, 2013

	Budget	2013	2012
Revenue:			
AANDC	\$ 25,000	\$ 25,000	\$ 15,000
	25,000	25,000	15,000
Expenditures:			
Administration	\$ 25,000	25,000	15,000
	25,000	25,000	15,000
Excess (deficiency) of revenue over expenditures	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

BEVERLY AND QAMANIRJUAQ
CARIBOU MANAGEMENT BOARD
SCHOLARSHIP FUND

FINANCIAL STATEMENTS

December 31, 2012

INDEPENDENT AUDITOR'S REPORT

Box 1038, 2-278 Main Street
Stonewall, MB R0C 2Z0
Telephone (204) 467-5566
Fax (204) 467-9133

To the Trustees
Beverly and Qamanirjuaq Caribou Management Scholarship Fund

Report on the Financial Statements

I have audited the accompanying financial statements of Beverly and Qamanirjuaq Caribou Management Scholarship Fund, which comprise the balance sheet as at December 31, 2012 and the statements of operations and net assets for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Beverly and Qamanirjuaq Caribou Management Scholarship Fund as at December 31, 2012 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

CERTIFIED GENERAL ACCOUNTANT

Stonewall, Manitoba
July 16, 2013

BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT SCHOLARSHIP FUND

Balance Sheet

Year ended December 31, 2012, with comparative figures for 2011

	2012	2011	January 1 2011
Assets			
Current assets:			
Cash	\$ 4,233	\$ 4,053	\$ 3,874
Receivable from the Beverly and Qamanirjuaq Caribou Management Board	23,549	25,049	24,999
	27,782	29,102	28,873
Non-redeemable RBC GIC, 1.80%, due Dec. 31, 2014	10,000	10,000	10,000
	\$ 37,782	\$ 39,102	\$ 38,873
Liabilities and Fund Balance			
Payable to the Beverly and Qamanirjuaq Caribou Management Board	\$ -	\$ -	\$ -
Fund Balance			
Unrestricted, end of year	37,782	39,102	38,873
	\$ 37,782	\$ 38,873	\$ 38,873

On behalf of the Board:



Earl Evans, Chair, BQCMB



Ross Thompson, Executive Director, BQCMB

The accompanying notes are an integral part of these financial statements.

BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT BOARD

Statement of Operations and Retained Earnings

Year ended December 31, 2012, with comparative figures for 2011

	2012	2011
Revenue:		
Interest earned	\$ 180	\$ 229
Expenditures:		
Grants distributed	1,500	-
Excess of revenue over expenditures (expenditures over revenue) for the year	(1,320)	229
Fund balance, beginning of year	39,102	38,873
Fund balance, end of year	\$ 37,782	\$ 39,102

The accompanying notes are an integral part of these financial statements.

BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT BOARD

Statement of Cash Flows

Year ended December 31, 2012, with comparative figures for 2011

	2012	2011
Operating activities		
Excess (deficiency) of revenue over expenditures	\$ (1,320)	\$ 229
Changes in non-cash working capital:		
Receivable from Management Board	1,500	(50)
Cash flow from (used by) operating activities	180	179
Investing activity		
Long-term investment	-	-
Increase (decrease) in cash flow	180	179
Cash - beginning of period	4,053	3,874
Cash - end of period	\$ 4,233	\$ 4,053

The accompanying notes are an integral part of these financial statements.

BEVERLY AND QAMANIRJUAQ CARIBOU MANAGEMENT BOARD

Notes to Financial Statements

For the year ended December 31, 2012

1. 1. First time adoption of accounting standards for not-for-profit organizations:

During the year the organization adopted accounting standards for not-for-profit organizations. These financial statements are the first prepared in accordance with these standards. The adoption of accounting standards for not-for-profit organizations had no impact on net assets as at January 1, 2011 or revenues and expenditures or cash flows for the year ended December 31, 2011 as previously reported in accordance with pre-changeover Canadian generally accepted accounting principles.

2. Significant accounting policies:

(a) Nature of Business:

The Fund is a not-for-profit registered charity. It provides financial assistance by way of scholarship awards to full-time students enrolled at recognized Canadian colleges or universities whose studies contribute to the understanding of barren ground caribou and their habitat.

(b) Revenue Recognition:

The Fund follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in fund balances. Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

(c) Investments:

Guaranteed investment certificates are recorded at cost.

3. Fair value of financial assets and financial liabilities:

The Fund's financial instruments consist of cash and guaranteed investment certificates. Unless otherwise noted, it is management's opinion that the Fund is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying value.

Harvest estimates were not available for either the Beverly or Qamanirjuaq caribou herds for the 2012-13 fiscal year. One of the conditions outlined in the GNWT's renewal of the BQCMB management agreement was the development of a "harvest management action plan." Discussion of various aspects of the sustainable use of caribou is ongoing during the development of the 2013-22 management plan for the Beverly and Qamanirjuaq herds. These include the importance of respectful harvest, harvest monitoring, assessing acceptable levels of harvest based on herd vulnerability and recommending harvest options.

BEVERLY AND QAMANIRJUAQ BARREN GROUND CARIBOU MANAGEMENT AGREEMENT

THIS AGREEMENT made on the 1st day of April 2012 BETWEEN:

THE GOVERNMENT OF CANADA, as represented by the Minister of Aboriginal Affairs and Northern Development Canada (hereinafter referred to as “Canada”);

and

THE GOVERNMENT OF MANITOBA, as represented by the Minister of Conservation and Water Stewardship (hereinafter referred to as “Manitoba”);

and

THE GOVERNMENT OF SASKATCHEWAN, as represented by the Minister of Environment (hereinafter referred to as “Saskatchewan”);

and

THE GOVERNMENT OF THE NORTHWEST TERRITORIES, as represented by the Minister of Environment and Natural Resources (hereinafter referred to as “Northwest Territories”);

and

THE GOVERNMENT OF NUNAVUT, as represented by the Minister of Environment (hereinafter referred to as “Nunavut”)

WHEREAS the Beverly herd and Qamanirjuaq herd of barren ground caribou historically migrate across provincial and territorial boundaries;

AND WHEREAS the continued well-being of these herds requires coordinated management, goodwill and cooperation amongst the above governments and the TRADITIONAL USERS of these caribou;

AND WHEREAS the parties hereto recognize that, as well as the value of the caribou to all Canadians generally, a special relationship exists between TRADITIONAL USERS and the caribou, worth more than \$15 million annually in subsistence value alone;

AND WHEREAS trends in population size and herd movements require coordinated information and project management among governments, communities, industry, organization and other stakeholders;

NOW THEREFORE THIS AGREEMENT WITNESSETH that the parties hereto under the authority of:

- (a) The Northwest Territories Act (1985), The Nunavut Act (1993);
- (b) The Manitoba Wildlife Act - section 84;
- (c) The Saskatchewan Wildlife Act - section 9;
- (d) The Northwest Territories Wildlife Act - section 27;
- (e) The Nunavut Wildlife Act - section 175 (1)

agree that:

A. Definitions in this Agreement

1. "Beverly herd" means that complex of barren ground caribou which utilizes range in Nunavut, the Northwest Territories, Saskatchewan and Manitoba, gives birth to its young near Beverly Lake and the Queen Maud Gulf area in Nunavut, and historically migrates into the Northwest Territories, Saskatchewan and Manitoba.
2. "Qamanirjuaq herd" means that herd of barren ground caribou which utilizes range in Manitoba, Saskatchewan, the Northwest Territories and Nunavut traditionally bears its young near Qamanirjuaq Lake in Nunavut and historically migrates into Saskatchewan, Manitoba and the Northwest Territories.
3. "TRADITIONAL USERS" means those persons recognized by communities on the caribou range as being persons who have traditionally and currently hunted caribou for subsistence.
4. "HABITAT" means the whole or any part of the biosphere upon which the Beverly and Qamanirjuaq caribou herds depend, including all of the land, water and air that they inhabit, cross or utilize at any time.
5. "Complex" means an aggregation of caribou that could potentially include females from more than one herd sharing use of a calving area.

B. The Beverly and Qamanirjuaq Caribou Management Board

1. A joint management board shall be maintained to be known as the Beverly and Qamanirjuaq Caribou Management Board, hereinafter referred to as the "Board," having the following objectives:
 - (a) to co-ordinate management of the Beverly and Qamanirjuaq herds in the interest of TRADITIONAL USERS and their descendants, who are residents on the range of the caribou, while recognizing the interest of all Canadians in the survival of this resource;
 - (b) to establish a process of shared responsibility for the monitoring of the herds and for the development of management programs between the parties hereto and the TRADITIONAL USERS of the Beverly and Qamanirjuaq herds;
 - (c) to establish and enhance communications amongst TRADITIONAL USERS, between TRADITIONAL USERS and the parties hereto, and amongst the parties hereto in order to ensure coordinated caribou conservation and caribou HABITAT protection for the Beverly and Qamanirjuaq herds;
 - (d) to discharge the collective responsibilities for the conservation and management of caribou and caribou HABITAT within the spirit of this Agreement.
2. Support shall be provided by the parties hereto to the Board in its efforts to achieve coordinated management of the Beverly and Qamanirjuaq herds by responding promptly to recommended measures.

C. Board Responsibilities

Without restricting the generality of clause B of this Agreement, the parties agree that the Board shall have the following duties and responsibilities:

1. To develop and make recommendations to the appropriate governments and to the groups of TRADITIONAL USERS for the conservation and management of the Beverly and Qamanirjuaq herds of barren ground caribou and their HABITAT in order to maintain the herds, as far as reasonably possible, at a size and quality which will sustain the requirements of TRADITIONAL USERS. Such recommendations may include, but are not necessarily limited to:

- (a) limitations on the annual harvest of the Beverly and Qamanirjuaq herds and the allocation of that harvest amongst the Northwest Territories, Nunavut, and the provinces of Saskatchewan and Manitoba;
 - (b) criteria for regulating the methods of harvest;
 - (c) methods of TRADITIONAL USER participation to assist in the management of the Beverly and Qamanirjuaq caribou herds;
 - (d) caribou research proposals;
 - (e) recommended standardized data collection and presentation;
 - (f) a herd management plan for the Beverly and Qamanirjuaq herds which will include consideration of traditional knowledge, where available; and will take into account the maintenance of the natural balance of ecological systems; the protection of wildlife HABITAT; and the maintenance of vital, healthy wildlife populations capable of sustaining lawful harvesting needs.
 - (g) plans, processes and permit conditions for land use and human activities on the ranges.
2. To monitor the caribou HABITAT over the entire ranges of the Beverly and Qamanirjuaq herds so as to facilitate the maintenance and protection of productive caribou HABITAT.
 3. To conduct an information program and hold such public meetings as are necessary to report on and discuss with TRADITIONAL USERS its responsibilities, findings and progress.
 4. To assess and report on the operation of its herd management plan to appropriate governments and TRADITIONAL USER groups.
 5. To submit to the parties hereto annual reports which shall include:
 - (a) a summary of Board activities, recommendations and responses by governments and TRADITIONAL USERS;
 - (b) a review of the state of the Beverly and Qamanirjuaq caribou herds and their HABITAT;
 - (c) a summary of harvests by jurisdiction and community;
 - (d) a financial statement for the operation of the Board.
 6. To consider any other matters respecting the management of barren ground caribou that are referred to the Board by the parties hereto or Board members. The Board may also consider any other matters respecting the management of the Beverly and Qamanirjuaq herds referred to the Board by any other person or organization.

D. Membership of the Board

1. Up to fifteen members shall be appointed to the Board as follows:
 - (a) The Minister of Aboriginal Affairs and Northern Development, Government of Canada; the Minister of Conservation and Water Stewardship, Government of Manitoba; the Minister of Environment, Government of Saskatchewan; the Minister of Environment and Natural Resources, Government of the Northwest Territories; and the Minister of Environment, Government of Nunavut, and each shall each appoint one senior official from their respective ministries for a total of five members.
 - (b) the Minister of Conservation and Water Stewardship, Government of Manitoba, shall appoint two residents from the communities of Northern Manitoba for a total of two members;
 - (c) the Minister of Environment, Government of Saskatchewan, shall appoint two residents from the communities of Northern Saskatchewan for a total of two members; and may appoint a third resident from the communities of Northern Saskatchewan;
 - (d) the Minister of Environment and Natural Resources, Government of the Northwest Territories, shall:

- i) where recommended by the Akaitcho Government, appoint one resident from the community of Lutsel K'e, Dene First Nation, Northwest Territories;
 - (ii) where recommended by the Métis Nation of the Northwest Territories, appoint one resident from the communities in the South Slave Region of the Northwest Territories; for a total of two members;
 - (e) the Minister of Environment, Government of Nunavut, shall, where recommended by the Kivalliq Wildlife Board, appoint two residents from the communities in the Kivalliq region of Nunavut and may appoint a third resident from the communities of the southern Kivalliq region of Nunavut.
2. The members of the Board shall be appointed for a term of five years, subject to the right of the parties to terminate the appointment of their respective appointees at any time and reappoint Board members in accordance with the above.

E. Board Rules and Procedure

1. The Board shall establish in writing from time to time rules and procedures for its functioning, provided however that:
- (a) the Chair and Vice-Chair shall be elected from amongst the members of the Board by secret ballot;
 - (b) the election and replacement of the Chair and the Vice-Chair shall be by simple majority;
 - (c) thirty days notice of meeting shall be given by mail, telephone, fax or e-mail, as appropriate;
 - (d) eight members shall constitute a quorum;
 - (e) decisions of the Board shall be by consensus wherever possible, and shall always require a majority voting in favour, with each member having one vote;
 - (f) no voting by a proxy shall be allowed;
 - (g) the Board shall hold formal meetings twice yearly or more often as necessary at the call of the Chair;
 - (h) the Board shall keep summary minutes and records of all its meetings and circulate them amongst its members;
 - (i) the Board may establish or dissolve standing committees as it deems necessary to carry out its functions, and set the terms of reference for such standing committees;
 - (j) the Board members unable to be present at Board meetings shall receive notice of Board recommendations thirty (30) days in advance of submission to any minister for action, except where there is consent of all Board members in which case recommendation to the Minister(s) can be made forthwith.

F. Finances

1. Subject to the terms and conditions of this Agreement and to funds being appropriated by the legislative authority in respect of each party on an annual basis the parties hereto shall annually provide funds necessary to ensure the Board functioning in a manner herein before stated provided, however, that all costs for the Board shall not exceed \$125,000.00 annually and that all such annual costs shall be shared equally amongst the parties to this Agreement in accordance with section F-2 below. In extraordinary circumstances, if a party is unable to provide costs beyond \$15,000.00 annually, such party shall provide in-kind services or support not to exceed \$10,000.00, to assist with duties, responsibilities and annual expenditures in Sections C and F-3 below, provided that a majority of the parties and the Board approve, such undertaking to be confirmed in writing.
2. Prior to the administrative costs for the Board being eligible to be shared by the parties hereto, the Board shall be required to submit to each party an annual estimate of the financial administrative costs, not exceeding \$125,000.00 in each year, and each party shall in writing within thirty days of receipt thereof, indicate its approval or disapproval for such budget and provide reasons therefore. In the event that a majority of the parties hereto approve the annual budget for the administrative costs, the budget shall be shared equally by all parties hereto.

3. Administrative costs to be shared amongst the parties hereto shall include expenditures related to:
 - (a) a secretariat to provide for and follow up on meetings, record and distribute minutes, provide members with informational support, maintain the operation of the Board between meetings, and undertake such other organizational arrangements as the Board may require;
 - (b) the production of an annual report and its distribution;
 - (c) a modest independent research review capability;
 - (d) the production of a newsletter, and other informational and educational materials; and production and maintenance of a website;
 - (e) such other costs as the parties may agree upon.
4. Each party shall be responsible for funding the expenses for salaries or honoraria and other incidental travel expenses, including transportation, meals, accommodation related to Board members appointed or confirmed by that party. The provisions for said expenses shall be in addition to the annual administrative costs provided in section F-1 above.
5. The Board shall annually account for all monies received and disbursed and said records shall be available to any of the parties for inspection upon thirty days written notice to the Chairman.

G. General

1. All reports, summaries or other documentation prepared or otherwise completed under the terms of this Agreement shall become the joint property of all parties hereto and any and all income derived there from shall be jointly shared amongst the parties in proportion to expenditures incurred by each party in generating such income.
2. The parties are committed to taking all actions under this Agreement in a way that respects any Treaty or Aboriginal rights of Aboriginal peoples relating to the hunting of Beverly and Qamanirjuaq barren ground caribou.
3. This Agreement shall take effect on the 1st day of April, 2012, and shall terminate on the 31st day of March, 2022, unless sooner terminated, for any reason, by any of the parties hereto upon six month's notice in writing to the other parties.
4. In recognition of the importance of the Beverly and Qamanirjuaq herds and their HABITAT, the withdrawal of any of the parties from this Agreement shall not preclude the remaining parties from continuing with the objectives and processes set out in this Agreement.
5. This Agreement may be amended at any time by an exchange of letters following unanimous approval by the parties hereto.
6. This Agreement supersedes the Beverly-Qamanirjuaq Barren Ground Caribou Management Agreement made between Canada, Manitoba, Saskatchewan, the Northwest Territories and Nunavut on the 1st day of April, 2002.



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