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MESSAGE FROM THE CO-CHAIRS

Chief Nelson Genaille, Sapotaweyak Cree Nation, Chairperson

Tansi! It is with great pleasure that we present to you our Annual Report where we share how Clear Sky Connections was established and what has been accomplished this year, as well as introduce you to our Board of Directors and team of stellar staff dedicated to bringing a high-speed fiber optic Internet network to fruition for Manitoba's First Nations. I commend the former staff and Committee Members, the Technology Council and all those that were involved with this journey formerly under the Assembly of Manitoba Chiefs, then Nanaandawewigamig and now Clear Sky Connections. I joined Chief Crate 7 years ago in being the Co-Chair of this project where we led the team along with the Council and its Committees and the leadership that gave the support to keep it going. The First Nations have the opportunity to build businesses to reap the economic development both on-reserve and eventually off-reserve. You are the members of this company we have created and we will look to you for input along the way. May this be the foundation that our children, grandchildren and all future generations build upon. I see the benefits that tele-health, online education, selling of arts and crafts, gaming, and everything else that comes with high-speed Internet. It has the possibility of opening the gateway to change and profitable business.

We look forward to working with you and for you as we build the linkage for our communities to each other and to the rest of the world!

Ekosi!

[Signature]
Chief David Crate, Fisher River Cree Nation, Vice-Chairperson

Tansi! As one of the leaders that have been a part of Building Manitoba’s Network of the Future over the last 10 years, it has been quite the journey in finally getting to a P3 (Public Private Partnership) funding announcement on January 9th, 2018. It took us many meetings, Chiefs Assemblies, negotiation processes with provincial, private and federal departments and potential partners to get to this point. It is the communities that eventually gave us the mandate via the Chiefs-in-Assembly back in 2009 to pursue funds to build a network that is owned and operated by the First Nations of Manitoba. For something of this magnitude to finally come to reality – it has been worth the effort and, as my Co-Chair calls it, “sweat equity”. We commend the staff, the leadership, and the partners for their drive, support and many hours away from their families and homes to make this happen. The system we are building will not only be life-changing, but the jobs and training that come with it will allow us to build our own community capacity from a technology and business standpoint.

To the elders and youth that participated in the many meetings with us, and all the workers and leaders – this was built by your vision to create change and to not “miss the boat” when it comes to economic development. We anticipate a path to positive transformation and can now do our traditional “trade and growth” via a high-speed network that our ancestors spoke of as Smoke Signals.

Ekosani!

[Signature]
MESSAGE FROM THE CEO

The year 2018 has definitely brought significant movement to what was formerly known as the “Building the Manitoba First Nations Network of the Future: The Gateway to Economic Development Opportunities” initiative under the Manitoba First Nations Technology Council. We began this plan over 10 years ago - of bringing high-speed Internet and training our own people with communities reaping the benefits in the end. The Assembly of Manitoba Chiefs, then Nanaandawewigamig (First Nations Health and Social Secretariat of Manitoba) and now Clear Sky Connections spearheaded the eHealth Unit that took on the connectivity and economic development tied to it. To finally see the light at the end of the tunnel so to speak has been amazing in and of itself, and I am deeply honoured and happy to have been a part of this initiative since the get go.

My ties to the ‘frontline’ and to the community members have always grounded my approach to building the core of the strategies and training plans that are the basis of what any economic development venture should be. My late father William Clarke Jr. “Bugoose” worked for Manitoba Telephone System (MTS) for over 30 years and was one of the first technicians to ‘wire up’ Norway House Cree Nation and the surrounding inland communities (Island Lake region). He instilled in me the drive to bring technology, communications tools, infrastructure and training to the communities that would never be deemed as having a ‘business case’ by the bigger companies that have a monopoly in each region in this country. He always quoted: Proverbs 31:8-9 8 Speak up for those who cannot speak for themselves, for the rights of all who are destitute. 9 Speak up and judge fairly; defend the rights of the poor and needy.

We will always fight for all of our communities in Manitoba to be connected and to have the business opportunities that are there for the rest of this region and to all of Canada and the world.

We look forward to another ground-breaking year, and the next 10 years and beyond where we work together with endless private and public partnerships to build Manitoba’s Network of the Future. When reviewing the development of our logo and how we came to be – note the eagle who is the leader flying towards the horizon – this is our Co-Chair Chiefs Nelson Genaille and David Crate who have given thousands upon thousands of hours to making this a reality. To our youth and elders who have also been a part of building this and providing the dream and the vision as our foundation – Kinanaskomitinaow! To every health director, education director, Chief, Councillor, technician, government partner, child who let mommy and/or daddy spend endless hours at the office working on our proposals – THANK YOU! May the Creator guide you and bless you in all you do. May we see the sod turning ceremony in the next few months & celebrate the start of our build to the northern remote and isolated communities, and eventually linking every single First Nation in this region to life changing high-speed Internet.

A special shout out to the Clear Sky Connections Board of Directors, the staff and Contractors that have helped make this a reality – and to the communities that gave us the mandate to ensure this reality came to fruition – YOU are the drivers of this initiative and we are excited for all that is coming ahead!

Ekosani! God Bless! Keep praying for change and continue to Raise Hope!

LISA CLARKE
CLEAR SKY CONNECTIONS
CEO
EXECUTIVE SUMMARY

VISION
Build and operate a fiber optic cable backbone network that would support affordable, dependable, sustainable, high-speed Internet connectivity to all 63 First Nations communities in Manitoba.

BACKGROUND
Technology creates economic opportunities and is driving the most significant growth areas of our economy. Technology reduces physical distances and makes the delivery of education, healthcare and other critical social services more efficient.

Connectivity is the single most important enabler of technology. Urban areas have the luxury of focusing on technology because robust communications networks underpin our communities.

However, outside of urban areas, many First Nations and northern communities in Canada are at a significant disadvantage. These communities do not have access to basic broadband connectivity and are missing out on economic and social opportunities currently enjoyed by other Canadians. The lack of broadband access has severely hindered the sustainable long-term development of these communities.

THE PROJECT
Clear Sky will plan the construction and operation of a robust fiber optic cable backbone network to connect all 63 First Nation communities in Manitoba.

The Network will efficiently leverage existing fiber networks from incumbent telecommunications providers, when available and build new fiber assets in underserved communities. In addition to connecting First Nation communities, the Network could also be sued to connect other remote and rural communities in the area.

ECONOMIC AND SOCIAL BENEFITS OF THE PROJECTS
The Project is expected to deliver a broad range of tangible benefits to the First nation communities in Manitoba. Reliable and affordable Internet access will allow for more effective and cost efficient delivery of educations, healthcare and other critical social services, especially in remote areas. It will also provide significant business and economic development opportunities by connecting geographically isolated communities with the global marketplace. Furthermore, the Project (building and operating a 3,500 km new fiber optic cable network) will provide significant job opportunities for individuals in the area. The Network will change the lifestyle of people living in the communities and allow the youth to enjoy a promising career without the need to leave their home communities.

In summary, the Project will have a significant impact on the lives of First Nation people across Manitoba today and well into the future. It will also enhance the partnership between First Nations and all levels of government.
Since 2009, the Manitoba First Nations Technology Council has worked on building the Manitoba First Nations Network of the Future Initiative to bring high-speed Internet to all Manitoba First Nation communities.

The work at Clear Sky Connections has evolved to create a for-profit arm, Clear Sky Communications Inc., in partnership with RFNOW. This partnership has been able to open doors for Manitoba’s First Nations to fully realize the dream of owning and operating a high-speed fiber optic network.

In 2015, the Federal Government announced a $300M fund for broadband connectivity, the program Connect to Innovate, opened the Call for Proposals in December 2016 and closed April 2017. In partnership with RFNOW, Clear Sky Connections applied for the funding and the application was approved in partnership with a Strategic Partner.

This funding will now support the completion of a fiber optic network of over 3500 km for Manitoba First Nations and surrounding communities.

With the strategic partnerships currently planned, greater value will be achieved for ensuring affordable, accessible and adequate connectivity.
OUR MISSION

Our Mission is to facilitate and support the deployment of affordable, reliable high-speed Internet in all Manitoba First Nations communities where high-speed Internet is not available or otherwise being deployed.

To facilitate and support the training and employment of First Nations Community residents in the deployment, operation, and maintenance of high-speed Internet.

We will provide the bandwidth necessary for extensive use of the Internet, telephony or other voice applications, downloading and uploading of large amounts of data, and high-speed electronic data transfers.

OUR MANDATE

AMC Resolutions May-09.01 and Jun-12.07 mandated the MFNs Technology Council (MFNTC) to secure funding and support from federal and provincial governments and the private and non-profit sectors in the development of a comprehensive MFNs Technology Plan – the core piece of the plan being Building the Manitoba First Nations Network of the Future. This mandate is now under the authority of Clear Sky Connections, including the creation of the Manitoba First Nations Information and Communication Technology Centre of Excellence as the training hub.
OUR OBJECTIVES

1. To design, build, finance, operate and maintain a communications network that provides high-speed Internet services to, and in, First Nations and other communities in Manitoba either directly or through third party Internet Service Providers (ISPs).

2. Cause third parties to design, build, finance, operate and maintain a communications network that provides high-speed Internet services to, and in, First Nation and other communities in Manitoba including the provision of those services through ISPs.

3. Employ and train and facilitate the employment and training of residents in First Nations and other communities in Manitoba and in the construction, operation and maintenance of a communications network that provides high-speed Internet services to and in First Nations and other communities in Manitoba;

4. To provide reliable and affordable Internet access that is effective and cost efficient and enhances the delivery of education, health care, and other critical social services, especially in remote areas.

5. To provide significant business and economic development opportunities by connecting geographically isolated communities with the global marketplace

6. To provide significant job opportunities for First Nations community members that will in turn change the lifestyle of people living in the rural communities and allow the youth to enjoy a promising career without the need to leave their home communities.
On March 16, 2017, a naming ceremony was held at the Turtle Lodge in Sagkeeng. The Youth Information and Communication Technology (ICT) Committee, Elders and the eHealth Unit were a part of the ceremony and sat in unison to receive the name.

Mizhakwun is the name that was given to Manitoba’s Network of the Future. Mizhakwun means “the sky is clear”. The eagle opened up the sky and has cleared the path for the future generations to connect with each other. The Youth ICT Committee had already brainstormed over many sessions to come up with a name for the new Initiative and company that was being formed. They chose Four Connections thus this was amalgamated with the name received in ceremony to become “CLEAR SKY CONNECTIONS”.

Direction was also given to the team that the 4 feathers and the 4 colours of Nanaandawewigamig, the “Healing Place” also known by the English corporate name of “First Nations Health and Social Secretariat of Manitoba” be incorporated into the logo. The eHealth Long Term Strategy was built by the Nanaandawewigamig eHealth Unit, formerly of the Assembly of Manitoba Chiefs. The link back to where the initiative was born should always be acknowledged.

The four colors represent the 4 races, the 4 directions, and the ribbons represent the connection of the fiber from community to community. The feathers not only represent Nanaandawewigamig, but also represent the supporters of the Initiative, the Network of the Future, and the Initiative's ultimate goal of helping the four directions of communities. The circles in the feathers are the people in each community. The circles in the big circle represent the First Nations leaders, the Tribal Councils and the Independent First Nations. The eagle is the main leader flying towards the horizon - the Network of the Future.
Clear Sky Connections is the largest Indigenous-owned telecommunications network in Canada. Implementing high-speed Internet connectivity which will deploy thousands of kilometers of fiber optic cable into all Manitoba First Nations (MFNs).

With the ever-growing use of the Internet, most MFNs lack adequate, affordable and reliable connectivity. As the technology evolves in functionality, our communities need to keep up with these advancements. We will address this connectivity gap.

Our goal is to have all MFNs and surrounding communities on our network to provide good quality service that is affordable, as soon as possible.

Internet connectivity currently available in MFNs is well below the industry standard compared to urban areas. The connections are unreliable and costly. Our network will provide high speed, reliable Internet.

The challenge in Manitoba when deploying the fiber optic cable to our communities are the various terrains, to overcome this we will use various fiber optic deployment methods.
PHASED IMPLEMENTATIONS APPROACH

Given the large scale of the Project and significant investment required to build the network, it is important to develop a Project solution that allows for scalability and flexibility. Clear Sky has developed a Project rollout approach that is both scalable and flexible.

The Project scope involves the design, construction, operation and maintenance of a fiber optic cable backbone network that will connect to 63 First Nation communities in Manitoba. The 63 communities are grouped into various segments, which represents the build packages that would provide efficiencies for the contractors and end-to-end connectivity for the customers. The building of the segments is independent of one another. The segments can be sequenced in various Projects phases based on availability of capital funds, build seasons and other considerations.
KEY FEATURES

- An extension of existing fiber network infrastructure in Manitoba
- Approximately 5,200 km of existing fiber and 3,500 km of new fiber
- Population of First Nations communities – over 90,000
- Population in other communities and municipalities – over 270,000
- Anticipated major anchor band offices – health, education, RCMP, public insurance, liquor and lotteries, justice, Internet service providers (“ISPs”), other business users, etc.

In various conversations with the Innovation Science and Economic Development Department, they were in a dilemma on which competing project to choose; Clear Sky or Wekitowak. Merger talks between Wekitowak Communications Inc. and Clear Sky Connections are underway so that Manitoba First Nations could benefit and provide good quality services.
CLEAR SKY CONNECTIONS COMMUNITY INFORMATION SESSIONS

· Annual Membership General Meeting – Keeshkeemaquah, Portage la Prairie (Long Plains First Nation) – December 15, 2017

· Northern Information Session – February 21, 2018 – Legion Hall, Thompson
  - Highlighted how last mile delivery to communities will work and the profitability of the project to all communities.
  - The By-laws and membership applications were also discussed for communities’ participation.
Southern Information Session – March 13, 2018 Keeshkeemaquah, Portage la Prairie (Long Plains First Nations):

- Highlighted how last mile delivery to communities will work and the profitability of the project to all communities.
- The By-laws and membership applications were also discussed for communities’ participation.
SAMPLE OF COMMUNITY VISITS

God's Lake Narrows (Pictured)

Sapotewayak Cree Nation – February 9, 2018
- Engaged interest in last mile distribution
- Interested more in training for upcoming jobs

God’s Lake, Manto Sipi, Oxford House – November 23, 2017
- Explore partnerships with Internet Service Provider
- Training and Employment the project will bring for the regions

Chemawawin Cree Nation – August 17, 2017
- Discussion on connecting to Manitoba Hydro’s existing fiber, impacts on existing agreements with Hydro.
- Community preparation to becoming their own Internet Service Provider, types of jobs and training made available to communities.
GOVERNANCE STRUCTURE

Incorporation: a federal not-for-profit corporation

Organization: members are the 7 Tribal Council corporations; and 1 individual appointed annually by the Independent First Nations in Northern Manitoba and 1 individual appointed annually by the Independent First Nations in Southern Manitoba, prior to each AGM

12 Directors:

- 1 nominated by each of the 7 Tribal Council Members prior to the AGM
- 1 being the Member appointed by the Independent First Nations in Northern Manitoba and 1 being the Member appointed by the Independent First Nations in Southern Manitoba, prior to each AGM
- 3 selected by the Board after each AGM who bring relevant expertise such as corporate governance, communications industry, design and construction, finance, operation and maintenance
FUNDERS

- Innovation, Science and Economic Development: Connect to Innovate Program (ISED)
- Indigenous and Northern Affairs Canada (INAC)
- Health Canada – First Nations and Inuit Health Branch
- Infrastructure Canada – The 2014 New Building Canada Fund: Provincial-Territorial Infrastructure Component Small Communities Fund
- Canadian Radio-television and Telecommunications Commission (CRTC) – coming in 2018/19
- Strategic Partnerships Initiative- INAC

**Phase 1 Funding**

**Announced on Tuesday, January 9, 2018**

- ISED = 30 M
- INAC = 3.5M
- Province (Hydro Telecoms Fiber) =20M
- Private Partners = 9.5M
- Total: $63M

**REQUIRE PRIVATE / FIRST NATION / TRIBAL COUNCIL CONTRIBUTIONS:**

- Additional Funding secured:
- Amendment to INAC CA: Pre-Purchase of fiber Optic Cable:
  - $4,201,583.71
- Health Canada Funding Contribution:
- FNIHB HQ - $510,000
2017 Indigenous Mapping Workshop – November 2017

- The Youth ICT Committee attended the 3-day workshop in Winnipeg at the Radisson Hotel where they learned about different platforms that could be utilized for looking at reserve lands/boundaries, trapping lines, as well as using these tools as a form of evidence to show any kind of significant damage or infrastructure that is on the land over time.
- The workshop was very informative and interesting. Each youth used their laptop to test out the platforms in each learning session as a hands-on experience.
- This was the first time, for many of the Committee members, getting to see what their home communities look like on a live map. They shared experiences working with maps in their communities, and let their peers look at their communities to get a perspective of where they come from.
Ogoki Learning Inc.

- The Youth ICT Committee took part in a full week of app development training with Ogoki Learning Inc. at their main office in Winnipeg. The developers at Ogoki walked us through each step they take into creating a language app and discussed future app ideas.
- The week was full of the committee working in teams to create small demo apps.
- Many of the youth had been aspiring to learn web design and even how to produce games! The training was a lot of attention to detail and required patience, but was overall fun and educating.
E-Health Conference and ICT Summit - February 2018

- In March 2018 the Youth ICT Committee and Nanaandawewigamig hosted the “Improving the Quality of Life” 2nd National First Nations E-Health Conference and the 3rd Annual ICT Summit 2018 in March at the Assiniboia Downs.
- There were 55 out of 63 First Nations who were represented with delegates that attended the conference. The conference was emceed by 2 Youth ICT Committee members; Nicole Gossfeld and Robert Sinclair.
- The keynote speakers during the conference were Ashley Callingbull (pictured), Mike Scott, Darrick Baxter and Charles Bighead. There was also a Fundraising Gala that featured performances by Don Burnstick, Rhonda Head, Nikki Komaksiutiksak & daughter, and Darius Parenteau.
Cree Artist Jackie Traverse

- Most days, the youth were working on the laptops, but were able to get creative alongside Jackie Traverse, who is a well known local Indigenous artist.
- Jackie came in for one full afternoon to teach everyone some basic painting principles and guided the group on how to paint a majestic thunderbird.
Nu Media Films

- The Youth ICT also had a couple training weeks working with Jordan Molaro and his amazing team at Nu Media Films. The staff at Nu Media opened their minds to different ways of storytelling and ways to think ‘outside of the box’ when trying to express experiences and concerns/issues of Indigenous peoples.
- President Jordan Molaro did a fantastic job using himself as an example of a successful Indigenous man who nonetheless overcame his doubts and built his own company because of his passion for multimedia. Two short films that are based on an information project done by the Youth ICT Committee called ‘My Reflection’; where they went into First Nations and interviewed their youth directly then compiled the information and highlighted the most common responses, were presented at the Youth ICT Graduation.
Over the holiday season, the Youth ICT Committee aided Nanaandawewigamig at the ‘Feasting with our Relatives’ event at the Thunderbird House in Winnipeg. At the event, care packages which included personal toiletries, mittens, socks, etc. and a hot meal was given out to anyone who has been experiencing homelessness. It was a lovely event as it was a great feeling to give back to the community and show compassion for less fortunate people in the city. Santa Claus even made an appearance!
OUR LEADERSHIP

CHAIRPERSON – Chief Nelson Genaille of Sapotaweyak Cree Nation (SCN) - Treaty Four Territory, is in process of completing his fourth consecutive term as chief in his community. In addition to this leadership role, he is also Chair of Clear Sky Connections and President of the Treaty Land Entitlement Committee of Manitoba. He has served as president of TLEC for eight consecutive terms. The committee represents 21 First Nations who are signatories to Treaty Land Entitlement.

A recent and major achievement he is proud to have led is within his home community. Working with SCN Council, staff, the Town of Swan River and both the Federal and Provincial Governments, the Sapotaweyak Cree Nation has not one, but two urban reserves in Swan River! It is the only urban centre in Manitoba to have two urban reserves. With this urban reserve development and implementation of Treaty Land Entitlement, come jobs, opportunities and expansion of the community’s land base.

Over the years, Genaille has primarily worked for his community and First Nations in Manitoba. He served for three terms as an Elected Band Councillor for Sapotaweyak Cree Nation, past chairman of the Committee Health Board and as a long-time advocate of First Nations youth development. His experience also includes working in the social services field as an Employment and Income Assistance Administrator in his community of Sapotaweyak Cree Nation as well as an Economic Development Officer. His achievements and goals are to work in unity towards a healthy and prosperous future for First Nation communities. To address the Health, Education and Social needs of remote and urban communities. Working together in achieving this future, is what he’s all about.
OUR LEADERSHIP

VICE-CHAIRPERSON – Chief David Crate was first elected to Council in 1985 and became Chief in 1989. Now in his 29th year, he has participated in numerous projects that have improved the community. These projects include the establishment of a Healing Center, Water and Sewer Treatment Facility, Car Wash/Laundry Mat, Fitness Centre, Castle Building Supplies Store and most recently, the Bay River Inn & Suites.

Chief Crate was also involved in a joint venture project with the Province of Manitoba for the development of 88 cottage lots in Fisher River. Focusing on long term planning and community development, currently Chief Crate and Council are implementing a 20 year community plan. This plan includes upgrading of local road, infrastructure and drainages for the Fisher River Cree Nation community.

Chief Crate’s dedication to all Manitoba First Nation’s (MFN) include his work with the Assembly of Manitoba Chief’s Gaming Committee, members of the Executive Council of Chiefs, Co-chairing the MFN Technology Council and the MFN ICT Training Initiatives Inc. In August of 2011 and in August of 2016, Chief Crate and Council brought the National Cree Gathering to the community of Fisher River Cree Nation. The Cree Gathering highlights Cree ceremonies, traditions, and teachings.

In February 2012, Chief Crate was appointed to the board of Manitoba Hydro. It was also in 2012 the Frontier Centre for Public Policy granted Chief Crate’s community of Fisher River Cree Nation 6th in the Aboriginal governance index within the prairie provinces and number one in Manitoba overall. In June 2013, Chief Crate was appointed to the National Aboriginal Economic Development Board by the Minister of Aboriginal Affairs and Northern Development of Canada (AANDC).

In November 2013, Chief Crate’s community was approved to become a Borrowing Member of the First Nations Finance Authority (FNFA). Chief Crate was awarded with the Manitoba Crocus Award for Conservation for his work on the Fisher Bay Park and is also a recipient of the Queen Elizabeth II Diamond Jubilee Medal in the merit category for Public Service. In December, 2017, Gov. Gen. Julie Payette announced the latest list of 124 remarkable Canadians to be inducted into the Order of Canada for outstanding achievements, dedication to community and service to the nation. One of those 124 remarkable Canadians is Fisher River Cree Nation Chief David Crate.
CLEAR SKY CONNECTIONS TEAM

CHIEF EXECUTIVE OFFICER – Lisa Clarke BSc, BA, is from Norway House Cree Nation, Manitoba, and is the Chief Executive Officer for Clear Sky Connections. Lisa has worked for First Nations for many years in building leadership, self-governance, tripartite partnerships & community technological capacity. Specifically, for the Building the Manitoba First Nations Network of the Future initiative 10 years ago until today Lisa led the grassroots development of the eHealth-Information & Communication Technology long term strategy that the network is a key component of. Training at several Universities across Canada has led to various levels of certification, & the opportunity to observe other cultures & institutional thinking, how it has transformed Indigenous thought & more importantly - Life. The significance of working for First Nation communities & making sure future generations have the tools & knowledge for self-sustaining economic development & networks is constantly reinforced through the growth of her children and adopted children of the Youth ICT Committee. Lisa’s drive comes from the belief that First Nations must have the opportunities & supports to pursue anything that is available to all other Manitobans & Canadians. Her children, 8 year old Gabriel, and 3 year old twins Neepin (Summer) and Seekwun (Spring) are the roots to building a foundation for the forthcoming generations that will reap the benefits of Manitoba’s Network of the Future.

Her parents, siblings, and entire family are the core of her drive to continue trailblazing, creating change and RAISING HOPE!
CLEAR SKY CONNECTIONS TEAM

PROJECT MANAGER – Jonathan K. Fleury is a member of Skownan First Nation and grew up in Mallard, a small Metis community in Central Manitoba. He is the youngest of seven siblings. His parents are both hard working individuals who have instilled a hard work ethic and moral values that have made him a well-respected member of the community. He is currently completing his Project Management Professional designations at Red River College and attended the University of Winnipeg, where he completed Information and Communication Technology (ICT), also a Certified Professional Trainer with the Institute of Professional Management. He is committed to empowering the Indigenous Peoples and Communities in Canada and around the world with involvement in social, economic, environmental, education and health initiatives.

He is the Clear Sky Connections (formerly Manitoba First Nations Technology Council) Project Manager; he is a team member involved in overseeing the study and eventual build of a Manitoba First Nations fiber optic network that will connect Manitoba First Nations with industrial grade high speed Internet. Formerly as Manager, Project Development for Indigenous Leadership Development Institute Inc. in Winnipeg, Manitoba, his involvement in projects like; World Indigenous Business Forum (WIBF), Empowering Indigenous Youth in Governance and Leadership (EIYGL), Executive Training, and Information Technology programs. He also volunteers for various community-based organizations and community events. He believes success could be shared and achieved by all.
BUSINESS DEVELOPMENT MANAGER

Ehigie Agbator serves as Clear Sky Connections Business Development Manager. His prime responsibility is leading the implementation of the Business Development, working with various partners to ensure there are viable business opportunities for Manitoba’s First Nations Communities as well the training piece of the MFN’s ICT Center of Excellence initiative. He has several Project Management Certifications including an MBA with a major in Marketing. He has over fourteen years’ operational business management experience from various industries such as; Telecommunications-ICT, Insurance, Consulting, and building relationships with intergovernmental partners. Ehigie likes treating everyone like his family. When he is not working, he spends time with his family and studies the creator’s guide; the Holy Bible.

BUSINESS ANALYST

Tosin Kolade joined Clear Sky Connections in February 2018. Prior to joining Clear Sky Connections, Ms. Kolade worked on different project teams as project coordinator. She holds Project Management Professional and Prince2 Practitioner certifications. Ms. Kolade received a Bachelor’s degree in Biology from a Nigerian University and a Master’s degree in Supply Chain Management from the University of Liverpool, UK. Ms. Kolade is a current member of the Project Management Institute of Manitoba.
CLEAR SKY CONNECTIONS TEAM

EXECUTIVE AND FINANCE ASSISTANT
Lindsay Catcheway is a passionate Indigenous professional woman who is dedicated to the empowerment of Indigenous people. She is a member of the Skownan First Nation in central Manitoba. Lindsay has worked in several First Nations for over 10 years in the capacity of Social Development. Employment with Skownan First Nation, West Region Tribal Council, MNP LLP, Indigenous Management Group has given her the opportunity to view the struggles of each community in different regions and to apply her skills and experiences with each community she has worked with in Manitoba. In 2016, she took time off work to enhance her skills to further her career, where she attended Robertson College and obtained her Diploma as the Accounting Specialist and was the first Indigenous Valedictorian for Robertson College, Class of 2016. She believes through education and creating awareness of history and the treaties, the Indigenous people will rise again! Lindsay is currently employed with Clear Sky Connections as Executive and Finance Assistant.

INFORMATION TECHNOLOGY MANAGER
Bill Murdoch provides Business and Information Technology (IT) solutions to government and commercial clients. He is known for innovation, customer satisfaction, and fulfilling commitments to clients. He offers a full range of management and technology services including; Program/Project Management, IT Strategic Planning, IT Engineering Management, Technology Architectures, Database Planning & Development, and System Planning and Development.
ADMINISTRATIVE ASSISTANT

Nicole Gossfeld is from Nisichawayasihk Cree Nation and is 26 years old. Her previous position was a Youth ICT Coordinator at Nanaadawewigamig – First Nations Health and Social Secretariat of Manitoba for the Youth ICT Committee 2017-2018. She grew up in northern Manitoba and experienced first-hand the connectivity gap that Clear Sky Connections is mandating to improve. Her biggest role model is her grandmother, and she is the oldest of 8 siblings. Nicole is very proud to be an Indigenous woman. She loves First Nations culture, and the teachings that were passed on from older generations are the framework for how she lives her own life. She is interested in project management as well as education, and she aspires to help her community in any way she can with the knowledge she has already acquired and what she will learn in the future. She has come to learn to love the little things in life and enjoys trying to make the best of each day!
Elder Harry Bone has worked tirelessly and quietly throughout his life to bolster Indigenous rights.

He is a member of Keeseekoowenin Ojibway Nation, where he served as a Chief and Director of Education. He also worked as a CEO at the West Region Tribal Council and as a Director of the Manitoba Indian Education Authority. While a graduate student in political studies at University of Manitoba, he was a Student Advisor and Lecturer. Elder Bone was also a Director of Native Programs for the Federal Government and he served as a Vice-President of Aboriginal Cultural Centres of Canada. Elder Bone is currently a member of the Assembly of Manitoba Chiefs Elders Council where he continues to be the Chairperson of his colleagues.

Elder Bone’s expertise in First Nations governance at the community level is well regarded. He has led delegations that have met with all levels of government and has been instrumental in furthering many projects for the benefit of all Manitobans, such as the Oral History Project and the Historical Atlas of First Nations in Manitoba. Elder Bone and Elder Doris Pratt co-authored *Untuwe Pi Kin He – Who We are: Treaty Elders’ Teachings Volume*, a book that documents the traditional laws and customs of Indigenous peoples in Manitoba in a way that is accessible to all interested readers; it is not a revision of history but rather a retelling of history from Indigenous historians, giving them an opportunity to reclaim words and inject new power into them. Like Elder Bone, the book aims to inspire people through compassion, reason, humility and human dignity.

His distinguished achievements in leadership, scholarship and public service have been widely recognized by the many individuals and communities who have touched by his work. The University of Manitoba honoured Elder Bone with an Honorary Doctor of Law degree for his tireless and trendsetting work that continues to advance Aboriginal education in Canada.
Chief David P. McDougall is a member of St. Theresa Point, one of the four First Nations of ILTC located with Island Lake Tribal Council ancestral territories in Manitoba. He is educated and firmly rooted in traditional lifestyles of his people. His formal education comprises of primary and secondary education in St. Theresa Point and in Winnipeg, where he graduated from Gordon Bell High School. He received his post-secondary education at Brandon University, graduating with a Bachelor of General Studies degree and subsequently earned a certificate in Education within the Province of Manitoba. His previous employment history includes: Classroom Teacher, School Administrator, Band Councillor, working with MKO and FAI Education table, Island Lake Tribal Council in the development and planning of the medical receiving home, AMC First Nation Inter-Governmental Health Council Project Coordinator, AMC - ICMFNH Health Policy Analyst/Researcher and most recently at MFNERC as PHP Specialist. Recently commenced current term as Chief of St Theresa Point First Nation for the fourth (4) occasion during the period 2002 to present, during which times he served on various chief’s committees including Chief’s Task Force on Health, Diabetes Integrated Project Board Member, MFNERC Board Member, Neewin Health Ex-officio Board Member, ILTC Board Chairman, as well as being a member of both MKO and AMC Chiefs Executive Councils. As one of his life-long passions, he continues to work to improve First Nation situations.
BOARD OF DIRECTORS

SECRETARY/TREASURER

George Neepin is currently the CEO of Keewatin Tribal Council situated in northern Manitoba and comprised of 11 First Nations. He has held leadership positions on Band Council with Fox Lake Cree Nation, Project Manager for the Fox Lake Cree Nation Future Development Initiatives office, and Executive Director of Manitoba Keewatinowi Okimakanak (MKO) for 11 years. MKO is comprised of 30 First Nations in Northern Manitoba.

DIRECTOR

Patricia Dorion is currently the Manager of Social Development for the Swampy Cree Tribal Council. For more than two decades, she has worked in the field of social development, with a special focus on empowering First Nations youth and communities to lead development. She has initiated and assisted in the development of a number of programs and projects that nurture individual and community development, while also striving to put in place the infrastructure and technology to further social development goals. Some key initiatives include: the 'Youth in Leadership' project, an innovative program involving seven tribal councils in Manitoba that motivates and empowers First Nations youth to move from Income assistance to independence; and Circling Buffalo Inc., a collaboration among 63 First Nations and four First Nation shelters in Manitoba that focuses on preventing and eradicating family violence among First Nations in Manitoba. Patricia has been married for 29 years, and has three children and three amazing grandchildren.
DIRECTOR

Karl Zadnik is from Pinaymootang First Nation and is the Chief Executive Officer for Interlake Reserves Tribal Council Inc.. Since being hired, IRTC has grown from 17 employees to 30. He holds a Bachelor Of Commerce (Honours) in Finance and Marketing (I.H. As per School of Business) and a Project Management Certificate. Prior to working for IRTC, he has worked in many professional industries from banking, telecommunications, and oil and gas to the public sector. He successfully served as Chairman for the Aboriginal Chamber of Commerce for two years and helped grow the organization and membership. His passion lies with building capacity and adding value to the communities he serves and Indigenous people.

DIRECTOR

Doug Mercer is a band Member of the Sagkeeng Ojibway Nation which is located on the Eastern shore of Lake Winnipeg, approximately 200 km northeast of Winnipeg, Manitoba. His early childhood years were spent in Hollow Water First Nation area. He completed post-secondary education at Lord Selkirk Regional Comprehensive High School (1984). Doug also obtained Administration Studies Degree from University of Winnipeg; a major in Management (1990). Received professional certification as a First Nations Health Manager (2015). Professional development training in community development, human resources management, facilitation skills, program evaluation, program management, and program development. Since 2013, he has been employed with Southeast Resource Development Council as Director of Health and more recently was selected as Executive Director (January 2016). Doug assisted in the development of a First Nations Community Wellness Diploma curriculum which is being delivered by the University of Manitoba. Has over 20 years of health management experience with a focus on health/wellness programs.
BOARD OF DIRECTORS

DIRECTOR
Larry Catagas is a member of Skownan First Nation, Larry attended Brandon University and Lethbridge Community College having enrolled in teacher training and a Counselling Program which would form the basis of his field of work in Program Management & Leadership. In the first few years of his employ, Larry managed the Income Security Program, combined with Child Welfare on behalf of the Department of Indian Affairs in Dauphin Manitoba. He later relocated to Skownan First Nation to handle the Education Director position. As time went on, he took on responsibilities within the First Nation from Native Alcohol & Drug Abuse to more senior positions. He had become an Office Manager, senior advisor to the Council and later became Chief of Waterhen Band (now known as Skownan First Nation).

DIRECTOR
Lance Roulette is the elected Chief of Sandy Bay, and has been serving his community in the political area for 10 years. He has attained academics through Yellowquill college in 2005 by completing and attaining the First Nation Governance Diploma. Mr. Roulette also has been a strong advocate in the realm of Child reform and advocates for the systematic changes to reflect the actual needs of the child. He also promotes and participates in local community events to ensure that interaction and involvement from all levels is implemented, and shared values are a priority in the growth of Sandy Bay. Mr. Roulette has been married for 21 years, and has 3 children, by whom keep him in line with his duties as father and leader of Sandy Bay.
Youth Advisor - Southern Representative

Carson Robinson is a youth from Sagkeeng First Nation. Being only 22 years old, he has learned many things from elders, leaders and numerous people from around Turtle Island. He also serves as a powwow and ceremony singer for many different ceremonies around North America. Carson is enrolled at the University of Manitoba. He is currently working on completing a double major in Native Studies and English. His plan then is to attain his Bachelor of Education so he can go back to his home community to teach. He is proud to currently hold the position of Southern Youth Representative here with Clearsky Connections and looks forward to voicing the opinions and perspectives of the Youth from the southern region of Manitoba.
Independent Auditors’ Report

To the Board of Directors of Clear Sky Connections:

We have audited the accompanying financial statements of Clear Sky Connections, which comprise the statement of financial position as at March 31, 2018, 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 government 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.

Auditors’ Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we 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 auditors’ 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Clear Sky Connections as at March 31, 2018 and the results of its operations, changes in net assets, and its cash flows for the year then ended in accordance with Canadian accounting standards for government not-for-profit organizations.

Winnipeg, Manitoba

May 25, 2018

Chartered Professional Accountants
# Clear Sky Connections
## Statement of Financial Position
### As at March 31, 2018

<table>
<thead>
<tr>
<th>Assets</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>2,491,245</td>
</tr>
<tr>
<td>Accounts receivable (Note 4)</td>
<td>5,000,998</td>
</tr>
<tr>
<td>Prepaid expenses and deposits</td>
<td>6,000</td>
</tr>
<tr>
<td>Investment (Note 3)</td>
<td>20,000</td>
</tr>
<tr>
<td><strong>Capital assets (Note 5)</strong></td>
<td>7,517,343</td>
</tr>
<tr>
<td></td>
<td>33,265</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Current</strong></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accruals</td>
<td>73,652</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>7,191,904</td>
</tr>
<tr>
<td>Due to First Nations Health and Social Secretariat of Manitoba (Note 7)</td>
<td>180,826</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
</tr>
<tr>
<td>Net assets</td>
<td>104,226</td>
</tr>
<tr>
<td></td>
<td>7,550,608</td>
</tr>
</tbody>
</table>

Approved on behalf of the Board

[Signatures]

The accompanying notes are an integral part of these financial statements.
## Clear Sky Connections
### Statement of Operations
**For the year ended March 31, 2018**

<table>
<thead>
<tr>
<th>Description</th>
<th>2018 Budget</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indigenous Services Canada (ISC) - Fibre Optic Cable <em>(Note 12)</em></td>
<td>4,201,584</td>
<td>4,201,584</td>
</tr>
<tr>
<td>Indigenous Services Canada (ISC) - Design and Project Management <em>(Note 12)</em></td>
<td>3,568,900</td>
<td>3,568,900</td>
</tr>
<tr>
<td>First Nations and Inuit Health (FNIH) <em>(Note 12)</em></td>
<td>500,000</td>
<td>500,000</td>
</tr>
<tr>
<td>Other revenue</td>
<td>-</td>
<td>(7,191,904)</td>
</tr>
<tr>
<td>**Deferred revenue to subsequent year <em>(Note 6)</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>8,270,484</td>
<td>1,078,585</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative <em>(Note 11)</em></td>
<td>291,602</td>
<td>291,602</td>
</tr>
<tr>
<td>Advertising and promotion</td>
<td>-</td>
<td>9,677</td>
</tr>
<tr>
<td>Amortization</td>
<td>-</td>
<td>11,656</td>
</tr>
<tr>
<td>Bank charges and interest</td>
<td>5,000</td>
<td>196</td>
</tr>
<tr>
<td>Conferences</td>
<td>25,000</td>
<td>22,759</td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>20,000</td>
<td>12,707</td>
</tr>
<tr>
<td>Insurance</td>
<td>15,000</td>
<td>4,806</td>
</tr>
<tr>
<td>Office supplies</td>
<td>208,000</td>
<td>34,045</td>
</tr>
<tr>
<td>Professional development</td>
<td>5,000</td>
<td>233</td>
</tr>
<tr>
<td>Professional fees</td>
<td>2,740,500</td>
<td>65,359</td>
</tr>
<tr>
<td>Salaries and benefits</td>
<td>592,250</td>
<td>340,640</td>
</tr>
<tr>
<td>Telephone</td>
<td>15,000</td>
<td>5,399</td>
</tr>
<tr>
<td>Travel</td>
<td>232,949</td>
<td>175,286</td>
</tr>
<tr>
<td><strong>Excess of revenue over expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4,119,183</td>
<td>104,226</td>
</tr>
</tbody>
</table>

---

*The accompanying notes are an integral part of these financial statements*
## Clear Sky Connections

**Statement of Changes in Net Assets**

*For the year ended March 31, 2018*

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net assets, beginning of year</strong></td>
<td>-</td>
</tr>
<tr>
<td><strong>Excess of revenue over expenses</strong></td>
<td>104,226</td>
</tr>
<tr>
<td><strong>Net assets, end of year</strong></td>
<td>104,226</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these financial statements.
## Clear Sky Connections
### Statement of Cash Flows

**For the year ended March 31, 2018**

<table>
<thead>
<tr>
<th>Activity</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash provided by (used for) the following activities</strong></td>
<td></td>
</tr>
<tr>
<td>Operating</td>
<td></td>
</tr>
<tr>
<td>Cash received from contributions</td>
<td>3,270,391</td>
</tr>
<tr>
<td>Cash paid for program service expenses</td>
<td>(554,221)</td>
</tr>
<tr>
<td>Cash paid for salaries and benefits</td>
<td>(340,640)</td>
</tr>
<tr>
<td>Cash paid for interest</td>
<td>(196)</td>
</tr>
<tr>
<td><strong>Financing</strong></td>
<td>2,375,334</td>
</tr>
<tr>
<td>Due to First Nations Health and Social Secretariat of Manitoba</td>
<td>180,826</td>
</tr>
<tr>
<td><strong>Capital activities</strong></td>
<td>(44,815)</td>
</tr>
<tr>
<td>Purchases of tangible capital assets</td>
<td></td>
</tr>
<tr>
<td><strong>Investing</strong></td>
<td>(20,000)</td>
</tr>
<tr>
<td>Purchase of investment</td>
<td></td>
</tr>
<tr>
<td><strong>Increase in cash resources</strong></td>
<td>2,491,245</td>
</tr>
<tr>
<td>Cash resources, beginning of year</td>
<td>-</td>
</tr>
<tr>
<td>Cash resources, end of year</td>
<td>2,491,245</td>
</tr>
</tbody>
</table>

*The accompanying notes are an integral part of these financial statements*
1. Incorporation and nature of the organization

Clear Sky Connections (the "Organization") was incorporated under the authority of the Canada Not-for-profit Corporations Act and was registered as a not-for-profit organization on March 31, 2017. The purpose of the Organization is to facilitate and support the deployment of affordable, reliable high-speed Internet in all Manitoba First Nations communities where high-speed Internet is not available or otherwise being deployed; and facilitate and support the training and employment of First Nations Community residents in the deployment, operation, and maintenance of high-speed Internet.

The Organization is a not-for-profit organization under the Income Tax Act (the "Act") and as such is exempt from income taxes. In order to maintain its status as a not-for-profit organization under the Act, the Organization must meet certain requirements with the Act. In the opinion of management, these requirements have been met.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for government not-for-profit organizations and include the following significant accounting policies:

Cash and cash equivalents
Cash and cash equivalents include balance with bank.

Investments
 Marketable securities with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment.

Capital assets
Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

<table>
<thead>
<tr>
<th>Long-lived assets</th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture and fixtures</td>
<td>5 years</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>3 years</td>
</tr>
</tbody>
</table>

Revenue recognition
The Organization 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.

Other revenue is recognized as it is earned and collection is reasonably assured.

Deferred revenue
Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal periods is reflected as deferred revenue on the statement of financial position in the year of receipt, and is matched with the related program expenses in the year of their occurrence.
2. Significant accounting policies (Continued from previous page)

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian accounting standards of government not-for-profit organizations 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 reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets. Deferred revenue is recorded based on management’s analysis of the extent to which eligibility requirements have been met on government transfer revenue.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in operations in the period in which they become known.

Financial Instruments

The Organization recognizes its financial instruments when the Organization becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any financial instrument at fair value. The Organization has not made such an election during the year.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess if revenue over expenses. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

3. Investment

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
<th>Accumulated amortization</th>
<th>2018 Not book value</th>
</tr>
</thead>
<tbody>
<tr>
<td>GIC due February 2019, bearing interest at 0.5%</td>
<td>20,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. Accounts receivable

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
<th>Accumulated amortization</th>
<th>2018 Not book value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables</td>
<td>644</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indigenous Services Canada</td>
<td>4,996,481</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GST receivable</td>
<td>2,973</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,000,098</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5. Capital assets

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
<th>Accumulated amortization</th>
<th>2018 Not book value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture and fixtures</td>
<td>24,815</td>
<td>4,983</td>
<td>19,832</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>20,000</td>
<td>6,667</td>
<td>13,333</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>44,815</td>
<td>11,650</td>
<td>33,265</td>
</tr>
</tbody>
</table>
6. Deferred revenue

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>ISC - Design and Project Management Services</td>
<td>2,540,320</td>
</tr>
<tr>
<td>ISC - Pre-Purchase of Fibre Optic Cable</td>
<td>4,201,584</td>
</tr>
<tr>
<td>First Nation and Inuit Health</td>
<td>450,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,191,904</strong></td>
</tr>
</tbody>
</table>

7. Due to First Nations Health and Social Secretariat of Manitoba

Due to First Nations Health and Social Secretariat of Manitoba are unsecured, bear no interest and has no fixed terms of repayment. The organizations are related as they both report directly to the executive of the Assembly of Manitoba Chiefs Secretariat Inc. The Organization was a department of First Nations Health and Social Secretariat of Manitoba as at March 31, 2017.

8. Contingencies

The Organization is subject to funding recoveries according to its agreements with Indigenous Services Canada and First Nations and Inuit Health. Recoveries, if any, will be accounted for in the year of determination.

9. Financial Instruments

The Organization, as part of its operations, carries a number of financial instruments. It is management’s opinion that the Organization is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

10. Economic dependence

The Organization’s primary source of revenue is government funding. The funding can be cancelled if the Organization does not observe certain established guidelines. The Organization’s ability to continue viable operations is dependent upon maintaining its right to follow the criteria within government guidelines. As at the date of these financial statements the Organization believes that it is in compliance with the guidelines.

11. Related party transactions

Included in administrative expense for the current year are $291,602 paid to First Nations Health and Social Secretariat of Manitoba. All transactions are in normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

12. Government funding reconciliation

<table>
<thead>
<tr>
<th>Description</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indigenous Services Canada (ISC)</td>
<td>7,770,484</td>
</tr>
<tr>
<td>Indigenous Services Canada balance per confirmation</td>
<td></td>
</tr>
<tr>
<td>Indigenous Services Canada balance per statement of operations</td>
<td>7,770,484</td>
</tr>
<tr>
<td>First Nations and Inuit Health (FNHIH)</td>
<td>500,000</td>
</tr>
<tr>
<td>First Nations and Inuit Health balance per confirmation</td>
<td></td>
</tr>
<tr>
<td>First Nations and Inuit Health balance per statement of operations</td>
<td>500,000</td>
</tr>
</tbody>
</table>
### Clear Sky Connections
#### Notes to the Financial Statements
*For the year ended March 31, 2018*

#### 13. Commitments

The Organization has entered into a lease agreement with estimated minimum annual payments as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>105,339</td>
</tr>
<tr>
<td>2020</td>
<td>114,915</td>
</tr>
<tr>
<td>2021</td>
<td>114,915</td>
</tr>
</tbody>
</table>
Lisa Clarke, Bsc BA
Chief Executive Officer
Phone: 204-410-3376 | Fax: 204-815-5435
Email: lisa@clearskyconnections.ca

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Project Manager
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Ehigie Agbator
Business Development Manager
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Bill Murdoch
IT Manager
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Finance and Executive Assistant
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Nicole Gossfeld
Administrative Assistant
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