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Commemoration to Former Co-Chair Chief Nelson Genaille:

The Board of Directors thanks Chief Nelson Genaille of Sapotaweyak Cree Nation for his dedication to bringing economic development opportunities to our Nations via the building of Clear Sky Connections. Over 7 years ago he was appointed by the Assembly of Manitoba Chiefs Executive Council of Chiefs to fill the seat for the Northern Independent Nations. As an existing Board Member of Nanaandawewigamig, the First Nations Health and Social Secretariat of Manitoba, the appointment was a compliment to maintaining continuity in the initiative set by the communities over 10 years prior. You will hear Chief Genaille quote “sweat equity” when he describes the amount of work that must go into the Board and the endless after hours of reviewing, editing, approving Corporate correspondence and business plans. The work behind the scenes and the time away from our families and communities is not measured – it is given freely by us and the passion to work to create change......to achieve success.

Ekosani Chief Genaille we commemorate you as an inaugural member of Clear Sky Connections. Your input and expertise is highly appreciated.

There were also other changes to the Board seats throughout the year, changes made by the Tribal Councils at their discretion:

1. Chief Vera Mitchell of Poplar River First Nation replaced Doug Mercer, Executive Director of Southeast Resource Development Council Corporation.
2. Councillor Cindy McKay of Pine Creek First Nation replaced Larry Catagas, West Region Treaty 2 & 4 Health Services Inc.
3. Chief Cornell McLean of Lake Manitoba First Nation is the Board Member for Interlake Reserves Tribal Council, with Karl Zadnik as the Alternate.
MESSAGE FROM THE VICE-CHAIRPERSON

Chief David Crate, Fisher River Cree Nation, Vice-Chairperson

Tansi! It is exciting to share that Manitoba's Network of the Future will finally be getting started off with our build to the first 3 gateway communities: Nisichiwayasihk Cree Nation, Pimicikamak, and Kinosew Sipi. As noted previously it took us many meetings, Chiefs Assemblies, negotiation processes with provincial, private and federal departments and potential partners to get to this point. The Chiefs-in-Assembly reiterated many times this year that Clear Sky Connections continues with the mandate since 2009 to pursue funds to build this network that is owned and operated by the First Nations of Manitoba.

The timel-ine from 2009 onward that is included in this Annual Report will show you how we have evolved over the years and that the effort is never-ending by the staff and the Board members. It is the communities, the grassroots, that give their input and direction to make these dreams become a reality. Now is the time to bring more investors forward to join in our For-Profit Ventures and build opportunity side-by-side with our People.

To my Co-Chair of 7 years Chief Nelson Genaille – kinanaskomitinawow! You have helped pave the path of the future and generations to come. Your work here is duly noted and will be captured as a moment in history as a leader that delivered beyond expectation.

Ekosani!
MESSAGE FROM THE CEO

Tansi! Aniin! Boozhoo! Ho / Han! Wotizwe!

The year 2018 – 2019 was a year of development and continuously building our First Nations owned and operated Corporation and Network from the ground up – everyone knows that without a strong foundation you cannot build a solid structure. There have been so many partnerships formed that the amazing team will share in more detail at the upcoming 2nd Annual General Membership Meeting and 4th Annual Manitoba First Nations Information and Communication Technology Summit that will be held at the Keeshkemaquah Gaming Centre, Long Plains First Nation, Portage la Prairie reserve, on May 29th – 30th, 2019. You have heard many announcements throughout the past year of the synergies that have formed and that have been molded into some other format where the First Nations have more ownership and control of what is being built. We are excited to share some potential new business opportunities for the communities at the AGM and Summit. We hope to see you there! If you could not attend we look forward to hearing from you and setting up time to discuss the Path Forward.

I would like to thank the leadership of our communities and the elders and youth for their never-ending guidance on this journey you have entrusted us to blaze. To our Board of Directors for entrusting our team to encompass our blended knowledge into a Network so unique Ekosani for believing in us. This endeavour has not been done to this magnitude anywhere in the world, where so many communities are separated by many bodies of water, the Gift of Life. For us to be doing this ourselves is absolutely amazing and the changes it is going to create are endless.

To the Board Members that gave years of work to this initiative and went on new paths forward – we are grateful to you for your efforts and for helping build Clear Sky Connections – a company for the people.

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

LISA CLARKE
CLEAR SKY CONNECTIONS
CEO
EXECUTIVE SUMMARY

During the first months of the build project, Clear Sky Connections (CSC) has continued to move the forward in a positive environment as a result of partnering with the Distinct Infrastructure Group (DIG) and Broadband Communications North (BCN) and securing fibre allocation for May 2019 delivery with international suppliers. At meetings with both federal departments on Wednesday, July 11, 2018, in Ottawa, Ontario, the Clear Sky Connections (CSC) “Path Forward” and Statement of Work was delivered by a delegation of Chiefs of Manitoba. The new Path Forward includes a partnership that has been endorsed by the CSC Board of Directors – the formation of the Clear Sky Indigenous Network announced on Wednesday, July 4th, 2018, on Treaty One Territory in Winnipeg, MB. It is imperative that the federal and provincial governments support the Chiefs in their adjusted Scope of Work that was submitted to ISED in March of 2017, as it underlies the Duty to Consult and the sovereignty of the First Nations that should be at the forefront of the Path to Reconciliation.

The company has continued to develop its strategy of creating value and is exploring new formulae with the partnership with BCN for fulfilling its mandate and staying within project scope.

In addition to the build to communities the core to maintaining community capacity – training our own band members – in bringing the Manitoba First Nations ICT Centre of Excellence to life has continued. Several partnerships are underway and will be announced very soon.

Key Milestones in this Report:

- Strategic plan
- Partnership chart
- Consent to build and access traditional territory
- Articles of Incorporation – 10025944
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 and accompanied training to Manitoba's First Nation communities.

The work at Clear Sky Connections has evolved to create a for profit arm, Clear Sky (2018) Inc., in partnership with Broadband Communications North Inc.

What is different from this partnership than the former proposed by the federal government? This partnership is ultimately 100% owned by the First Nations of Manitoba. The partnership forms the avenue by which the First Nations will operate and manage their own high-speed network and all the additional business that comes with that.

Access to high-speed Internet is not a luxury; it is essential. It is a means by which citizens create opportunities that could otherwise be out of reach and is a basic tool that all Canadians should have access to. The Digital Economy will comprise a quarter of the total world GDP by 2025, yet only 29% of Canadian households in rural and remote communities have access to broadband service deemed by the CRTC as essential. Quality of Life has a wide range of context, with the hope to continuously improve as every person safely exercises their right to access information and opportunities; to communicate, and to participate meaningfully in the global economy; through the essential service of telecommunications.

Internet connectivity currently available in MFNs is well below the industry standard compared to urban areas. The connections are unreliable and costly. Access to these services is severely limited in rural and remote communities due to substandard connection experience: low bandwidth, limited data allowance, high latency. Solving this challenge will take a combination of factors: strategic investments, regulatory and market dynamics review, support by all involved to work together to bring cost effective build strategies to make this a reality. Another significant 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. The various methods are explained further in the Technical and Engineering Plans that the team has developed with partners and Contractors. 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.
While the goal of the project is implementing high-speed internet connectivity which will deploy thousands of kilometers of fib optic cable into all Manitoba First Nations (MFNs), non-technical challenges have delayed the project: funding allocation and political interference being two of the top challenges. Knowing the key to building a solid foundation is also having a core that can support the foundation and anything else built upon it, the team felt that it was essential to begin with a strategic plan. The team would develop the base of the plan, incorporate the initial plans for the MFNs Information and Communication Technology Centre of Excellence and then go back to the larger community forum to get more input into the plan.

WE ARE CLEAR SKY CONNECTIONS

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 fibre 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.
OUR VISION AND MANDATE

VISION

We see a world where our quality of life continuously improves as every person safely exercises their right to access information and opportunities; to communicate; and to participate meaningfully in the global economy; through the essential service of telecommunications.

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 PRINCIPALS AND VALUES

We are grounded in the 7 Sacred Teachings and the 7 Principles. Each teaching plays a role in each principle.

The Seven Principles that Define a Nation are:

- Land
- People
- Teachings
- Values
- Languages
- Way of Life and History
- Belief in Something Greater

The Seven Sacred Teachings are:

RESPECT represented by the BUFFALO

The Buffalo stands on guard to remind us of the teaching of Respect. Respect all life on Mother Earth, respect Elders and people of all races. The essence of respect is to give and share. The buffalo embodies respect by giving of itself. The buffalo, through giving its life and sharing every part of its being, showed the deep respect it had for the people.

LOVE represented by the EAGLE

The Eagle welcomes all with the spirit of Love. The wings spread in welcome. Love is the essence of life. Always act in love. Love the Creator. Love Mother Earth. Love yourself, your family, and your fellow human beings.

COURAGE represented by the BEAR

The Bear stands tall to remind us of the teaching of Courage. Listen to your heart. It takes courage to do what is right.
OUR PRINCIPALS AND VALUES

HONESTY represented by the SABÉ (Bigfoot)
The Sabé holds its heart to remind us to live in honesty – to live from the heart. Never lie or gossip. Be honest with yourself and others. Speak from your heart. Be true to your word.

WISDOM represented by the BEAVER
The Beaver brings the teaching of wisdom. Everyone has been given a special gift. Show wisdom by using your gift to build a peaceful world.

HUMILITY Represented by the WOLF
The Wolf bows its head in humbleness as it brings us the teaching of humility, to show us all that we have been created equal in the eyes of the Creator. No one is greater or lesser in the human family. Think of others before yourself. Humble yourself to the Creator by being thankful.

TRUTH Represented by the Turtle
The Turtle brings the teaching of Truth. Always seek Truth. Living the Truth is living all these teachings - Respect, Love, Courage, Honesty, Wisdom and Humility. Let us join together to help fulfill the prophecy of the Red people – coming together as a human family to bring truth into the world.
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.
Clear Sky is partnering with Broadband Communications North Inc. to operate, maintain, and is engaging the Distinct Infrastructure Group to design, build, and to partially finance the Network.

A) First Nations Led Public-Private Partnership

Clear Sky and Broadband Communications North entered into a uniquely First Nations led and owned Public-Private Partnership (“PPP”) a merger of the two entities as a for profit Corporation: Clear Sky (2018) Inc (CS2I). The PPP ensures value for money by allocating the management and oversight of the design and build of the Network and the management and operation of the business of the Network to the General Partnership; and tendering the construction and equipment supply for the Network to third party contractors and equipment suppliers.

Under the PPP,

Clear Sky will be the “public sector” party that owns the Network and will be responsible for:

- Obtaining funding from government and other sources sufficient to pay a fixed price to build the Network;
- Complying with aboriginal law, communications law and environmental law required to build the Network;
- Obtaining and holding rights-of-way and other real property interests required to build and operate the Network;
- Obtaining and holding rights of access to the backhaul provider(s)’ backbone network required to build and operate the Network;
- Entering into a Cost Plus project agreement with the Distinct Infrastructure Group wherein DIG agrees to design, build, and finance, the Network; and are paid in milestone payments during the build and availability payments during the term of the project agreement; and,
- Participating in the operation of the Project Management Office, including providing and paying for technical, financial and legal requirements of the Project Management Office.
STRATEGIC PARTNER

Distinct Infrastructure Group will be the “private sector” party to the PPP that will be responsible for:

· Entering into a Cost Plus Project agreement with Clear Sky, wherein DIG will agree to design, build, finance, operate and maintain the Network;

· Providing construction financing during the build of the Network and operating financing during the operation of the Network;

· Providing management direction in the operation of the Project Management Office (“PMO”);

· Tendering and entering into contracts required for the build, including contracts with vendors to construct and supply equipment for the Network (agreed to by CS2I);

· Working with Broadband Communications North for what is required for operation and maintenance of the Network during the term, including a contractual arrangement with MHT. The terms of the arrangement with CS2I for operate and maintain include:

· Operating the business of enabling high-speed Internet in First Nation communities during the term, for its own account after the build of the Network;

· Entering into contracts with ISPs to provide last mile services in the First Nation communities; and,

· Entering into contracts with government and other anchor users to use services provided by the ISPs.

B) Network Design-Build Relationships

Clear Sky pre-qualified the following design-build contractors during the Preliminary Design and Planning phase of the Project.

Three firms noted with a * have confirmed in writing that they will participate in the competitive bid process planned to select the preferred design-build partner.

Potential design-build contractors identified include:

· Cana Utilities;

· Crown Utilities*;

· Lite Access Technologies/DSG Communications;

· LTS Infrastructure Services Limited Partnership (“Ledcor”)*;
Through work with Broadband Communications North the Distinct Infrastructure Group won the bid process and has acquired Crown Utilities since the initial prequalification was done.

Network equipment suppliers were prequalified during the Preliminary Design and Planning phase and others were sought through a competitive bid process to select preferred suppliers.

During the Design-Build and Implementation phase, CS2I is retaining a qualified design-build contractor and is procuring Network material and equipment through competitive procurement processes to ensure the best value for money is obtained for the Project.

C) Backhaul, Network Operations and Maintenance Relationships

Clear Sky has engaged with MHT to provide access to its 5,170-kilometre fibre optic cable backbone in Manitoba to provide backhaul services to the Network.

MHT will also support Clear Sky and RFNOW Inc. with the following Network operation and maintenance services within its footprint:

- Network surveillance and monitoring;
- Configuration, diagnostics and troubleshooting; and
- Planned maintenance.

BCN has also communicated its ability to provide the following Network operation and maintenance services:

- Co-location in its NOC;
- Network surveillance and monitoring;
- Configuration, diagnostics and troubleshooting;
- Planned maintenance; and,
- Emergency dispatch.
D) ISP and User Relationships

Clear Sky has engaged with BCN to offer ISP services supported by the Network in all First Nation communities and to provide certain operation and maintenance services for the Network. Xplornet, a leading Canadian rural Internet provider, has also expressed interest in using the Network as a backbone for services to its customers.

Primary end users identified for the Internet services include:

- Residential households;
- Federal, provincial and local government entities including schools, health facilities, band offices, community centres, utilities and public safety agencies, etc.; and
- Business users including airports, airlines, major retailers, hotels, financial institutions, entertainment facilities, etc.

Several letters of support have been obtained by many of the primary end users listed above. All the letters, including consent to build on traditional territories will be shared in the Final Annual Report.
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.
Detailed Engineering Design

The design-build contractor, under the guidance of the PMO, will undertake a detailed engineering design of the Network build. The objective of this phase is to develop:

- Detailed drawings and bills of material suitable for acquisition, permitting and construction; and
- Test and commissioning plans for system acceptance and service turn up.

As there was a request by the First Nation communities included in the “Phase 1 Innovation Science and Economic Development” funding commitment to find out the true costs of building the network, Morrison-Herschfield was engaged to provide a detailed engineering design of the Network build specifically for Phase 1.

Primary inputs include the confirmed requirements and prior preliminary engineering design. The design is developed iteratively and involves desk study, route and site surveys, and close interaction with the real estate and permitting team and operations and maintenance functions.

The fibreoptic cable is a long-term strategic asset. The design and construction specifications will apply industry best practices to provide confidence in the longevity and cost-effectiveness of this infrastructure.

Although a range of engineering disciplines will be involved, a Network driven design approach will lead from requirements to the service layer, to the packet-optical transport layer, to the physical fibre and route layer, and finally to Network site support facilities including equipment shelters, power equipment, and civil works.
The detailed engineering design phase will conclude with a design review and revised construction-level cost estimate at the community and segment level, reviewed by relevant Project stakeholders and the PMO.

**Real Estate Matters**

The Network design is based on the placement of fibre in the highway, Crown land, utility and First Nations properties. The property types were selected for their multi-season accessibility and a desire to have a minimal impact on the communities. High-level discussions were conducted with land acquisition specialists and each of the landowner groups during the Preliminary Design and Planning phase by Clear Sky. The acquisition of fibrerights of way will take place during the Design-Build and Implementation phase of the Project, which will include:

- **Master agreements**– once the Project moves to the Design-Build and Implementation phase, the PMO, Project stakeholders, and a land acquisition specialist will engage Manitoba Infrastructure (highways), Manitoba Hydro, First Nations and Manitoba Lands (Crown land) with specific applications for rights of way access. Each of the landowners have detailed processes to gain access for rights of way. The Project team will present an overall Project approach and will seek to formalize an agreement with each of these property owners.

- **Acquisition** – a land acquisition specialist will be engaged to review the planned fibreroute, identify the landowners, make applications for access, and secure agreements. In order to complete the agreements, detailed drawings or legal land surveys are typically required.

- **Permitting** – the Project team will research and file necessary permitting applications with the relevant authorities.
DESIGN AND PLANNING

Environmental Issues

Initial discussions with INAC were held during the Preliminary Design and Planning phase of the Project. Upon the awarding of capital funding, the preliminary environmental screening has begun. The focus of the exercise is to clarify and confirm the anticipated environmental regulatory requirements associated with the Network construction and operations.

The Project team will attempt to confirm that the Project will not cause any adverse environmental effects, as outlined in the Canadian Environmental Assessment Act. This will require the preparation of a Project description, route maps and a submittal to INAC, as well as follow up meetings with relevant INAC staff. The team will also liaise with other relevant authorities to define environmental permitting requirements and identify additional environmental baseline information that may be required. Furthermore, the team will define responsibilities of the relevant Project stakeholders and design-build contractor with respect to the final environmental permits and environmental issue management during construction.
There has been much deliberation regarding the federal commitment for funding from Innovation, Science and Economic Development Canada, as the commitment was made to the former partnership of Clear Sky Connections and RFNow Inc. Since the separation and new partnerships have been formed the Chiefs from several of the communities have indicated they want the ownership and control to be at the hands of the First Nations. Although there has been much deliberation we want to make Clear Sky Connections and community intentions clear to the federal government that we are committed to ensure there is a “win-win” solution for all involved, especially the First Nation citizens. There should be no decision-making to move to another region in Canada as we are of the highest need in the country with respect to high-speed connectivity.

1. CSC to continue to be the collective representation of the Manitoba First Nation communities.
2. CSC to own and through partners manage the network core infrastructure to the Point-of-Presence in the community.
3. All the Manitoba First Nation communities work in one direction for economies of scale.

Full authority has been given by the Assembly of Manitoba Chiefs (AMC) Executive Council of Chiefs to pursue securement of ISED and other funds on behalf of the First Nations of the AMC – as has always been the mandate given to the CSC. The initial version of the Clear Sky Connections Application to ISED included many letters of support from regional entities and primarily the communities. What is key is the Letters of Support from the northern First
FUNDING STRATEGY

Nations of Manitoba – 26 of the 28 included in the adjusted Scope of Work to be exact. The 48 communities surrounding the First Nations have given their consent to the Northern Association of Community Councils to sign off a letter of support on their behalf.

When CSC submitted their initial application to ISED there were 44 Band Council Resolutions supporting CSC as the lead in the fiber optic build and to advocate for funding to get the network in place.

In addition to the CTI funding application, Clear Sky has been in discussions with INAC, Infrastructure Canada and the Province of Manitoba to obtain funding support for the infrastructure build. Separate funding requests have been / will be submitted to these government authorities.

CRTC is planning to launch a new $750M funding program over five years for Internet connectivity investments. Clear Sky has engaged in initial discussions with the relevant CRTC staff. A funding application will be filed once the program has been officially launched (i.e. in 2018).

B) First Nations Contribution

Clear Sky has developed a business model that includes a financial contribution from the First Nation communities through connection fee charges to the users.

C) Third Party Financing - Investors

Distinct Infrastructure Group will provide bridge financing for the Project during the construction and operating periods.

Private Investor Background:

Potential investors have recently been identified or come forward for possible capital investment in the First Nations communities in Manitoba.

Distinct Infrastructure Group (DIG) has committed up to $30M specifically to contribute to the shortfall of the Connect to Innovate fund from the federal Department of Innovation, Science and Economic Development (ISED). The shortage is what was costed out by the CSC Engineering team to connect just the First Nations committed to via Connect to Innovate $30M Manitoba “remote and isolated communities” commitment. DIG specializes in the construction of integrated Infrastructure services to ISP’s, Municipalities, and Hydro Utilities.

DIG is comprised of specialized Divisions servicing Ontario and Manitoba, offering an End-to-End Full Suite of Services including Design, Engineering, and Survey for Wireless including 5G, Underground and Aerial Construction, Directional Drilling, Splicing, Node Installation, Power Upgrades and Change Out/Installation of equipment plants, Multiple Dwelling Unit Installation, Hydrovac, Pipeline Services, Rodding/Roping, Placing, Open Trench Fibre, and Copper Placing, and full restoration.
FUNDING STRATEGY

TVC Communications Canada is the country’s largest Telecommunications Supply Chain solutions provider. We are managing and have managed many large-scale fiber deployments with the nation’s largest service providers, and numerous municipal/native community builds. Below are some of the key advantages that TVC, in conjunction with Distinct Infrastructure Group, provide Clear Sky Connections fiber build project management.

- Commercial Advantage: TVC has secured fiber optic cable pricing for the Clear Sky project that is significantly less (<15%) than that of standard industry pricing. Furthermore, we have several project registrations in place with many of the connectivity elements of your build, securing further discounts across several manufacturing partners (such as Corning Cable Systems), providing further cost benefits;

- Product availability: In times of fiber shortages, TVC has also secured a supply of fiber allocation for the cable needs, specifically for Manitoba build, starting Spring 2019;

- Product knowledge/engineering support: TVC has significant product support from engineering/design to product management to assist in the build requirements, supplementing that of our engineering and contract builder partners;

- Familiarity with the design/engineering community: TVC has an existing relationship with firms such as Planetworks, Telecon, Stantec, CIMA+ and Magellan and can ensure that the build reflects their engineering design specifications and product requirements;

- Financial Services: TVC financial services team has extensive experience working with Native Community, Federal and Provincially subsidized projects.

Arctic Gateway Group LP (AGG), The Arctic Gateway Group LP, owns and operates the Port of Churchill, Canada’s only Arctic seaport serviced by rail, on the Hudson Bay Railway, running from The Pas to Churchill, Manitoba. Strategically located on the west coast of Hudson Bay, the Arctic Gateway is the front door to Western Canada, linking Canadian trade in resources to the global marketplace. The Arctic Gateway is a partnership between First Nations, Northern communities, Fairfax Financial Holdings Limited, and AGT Food and Ingredients Inc. Negotiation is on going with The Arctic Gateway Group either an investor or partner with Clear Sky Connections.

TCR Innovations is a Trade and Development Group (International Sustainable Innovation Program). The possibility of raising capital for an indigenous driven telecommunications project in Manitoba First Nations is ever appealing for the UK group looking for investments in Canada. A request has been made to frame the project into the Sustainable Development Goals (SDG’s) outlined in Agenda 2030, a United Nations Funding program. More precisely on the below 7 points:
FUNDING STRATEGY

1. End poverty in all its forms everywhere;
2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture;
3. Ensure healthy lives and promote well-being for all at all ages;
4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all;
5. Ensure availability and sustainable management of water and sanitation for all;
6. Ensure access to affordable, reliable, sustainable and modern energy for all, Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all;
7. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

TCR works directly with governments, companies, and investors on a wide range of projects related to climate risk, sustainability, energy, and innovation. TCR is integrated with several corporate, policy, and investment networks around the world including hubs in London, San Francisco, Amsterdam, Hong Kong, Singapore, and many others. Through these networks, they help companies access new markets, raise capital, hire local teams, and participate in regional clean tech growth programs that enable them to build successful global companies.

D) In Kind Contributions

Clear Sky is in discussions with various provincial departments and Crown agencies to waive certain costs associated with applications, access and use of easements and/or lease of owned assets, including utilities access agreements, access to highway rights of way and Crown lands.
PARTNERSHIP MODEL AND DESCRIPTION

Clear Sky Indigenous Network
- **General Partner**: Responsible for the actions of the business
- **Limited Partners**: To conduct business in which the partners are liable only to the extent of the amount of money that the partner has invested.
- **Trust Fund**: To oversee trust assets responsibly.
- **Investors**: Capital and Equity Investment
- **Beneficiaries**: Manitoba First Nations
BENEFITS WITH WORKING WITH CLEAR SKY CONNECTIONS

Clear Sky Connections and the Clear Sky Indigenous Network Relationship

Clear Sky Connections is a Not-for-Profit organization, 100 percent owned by Manitoba First Nations Communities.

Clear Sky (2018) INC and 10025944 Manitoba Incorporated are both For-Profit companies.


Limited Partnership: CSC AND BCN

10025944 Manitoba partners with Broadband Communications North Inc

Broadband Communications North - BCN is governed by a Board of Directors that is selected by members of the organization and made up of representatives from tribal councils, territorial political organizations, and independent First Nation communities, this partnership is still 100 percent First Nations owned.

The Partnership Entity is called Clear Sky Indigenous Network. (Partnership makes it 100% First Nations owned)

The purpose of this partnership is to look after the business operations of the backbone and Internet service provider (ISP), Build and operate, and to maintain the network once it’s built.

The revenue generated from the business in the first five years would be fully re-invested into the infrastructure build of the network.

From year 6, Part of the revenue would be kept in a Trust Fund, at maturity will be shared amongst Manitoba First Nation communities as a dividend at equal units. The amount of revenue to be held in Trust will be presented to the Members at the Annual General Meeting in May of 2019.

The second part would be used for operations and maintenance (O&M) of the business. The amount of revenue to be utilized for O&M will be presented to the Members at the Annual General Meeting in May of 2019.

Benefits of The Partnership:

Manitoba First Nations, 100% owned and operated

Durable infrastructure guaranteed

Robust business case, with the backhaul and majority Internet Service providers (ISP) as Indigenous organization

Economic development would be community focused

Maintaining an ecosystem of funds recycle within the First Nation Communities

Indigenous employment opportunity as the priority to the community

Various training opportunities for the community with access to regional and federal funding.
CLEAR SKY CONNECTIONS COMMUNITY INFORMATION SESSIONS

CSC Community Visits
August 17, 2017 - Chemawawin Cree Nation
November 23, 2017 - God’s Lake, Manto Sipi and Oxford House
February 9, 2018 - Sapotaweyak Cree Nation
February 22, 2018 - Pimicikamak (Conference Call)
March 15, 2018 - Opaskwayak Cree Nation
April 30, 2018 - Norway House Cree Nation
June 18, 2018 - Misipawistik Cree Nation
November 6, 2018 - Pimicikamak
January 16, 2019 - Mathias Colomb Cree Nation
February 25, 2019 - Pimicikamak
February 27, 2019 - Norway House Cree Nation
April 16, 2019 - Norway House Cree Nation
May 6, 2019 - Swan Lake First Nation

Tribal Council Meetings
January 30, 2019 - Island Lake Tribal Council
March 7, 2019 - Island Lake Tribal Council
PTO Meetings
February 21, 2018 - Presentation to Northern First Nations
March 2, 2018 - Mantioba Keewatinowi Okimakinak
March 13, 2018 - Presentation to Southern First Nations
May 25, 2018 - Southern Chiefs’ Organization
November 5, 2018 - Assembly of Manitoba Chiefs
April 18, 2019 - Southern Chiefs’ Organization Summit

Other Meetings
December 15, 2017 - CSC Annual General Membership Meeting
May 29, 2018 - CSC Annual General Membership Meeting
November 19, 2018 - ISC (Reprofiling)
November 23, 2018 - ISED
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
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

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
CLEAR SKY CONNECTIONS IN ACTION!
TIMELINE

MANITOBA FIRST NATIONS TECHNOLOGY COUNCIL FORMED
2009 - 2013
There was much speculation from First Nations' Leadership about a political organization seeking funding from eligible "community funds". It took 4 years to come to a consensus that the only way forward was to stand united in one application for funding under the MFN Technology Council in an application for support (Initially) from the AANDC/INAC First Nations Infrastructure Fund.
Advocacy would continue to lobby the federal government to create funding pots that would not take away from essential community infrastructure such as clean drinking water, roads, bridges, housing, etc.

FEASIBILITY STUDY
$800,000 INAC
2014 - 2015
1. Traditional & Non-Traditional Fiber Deployments
   An aerial / ground pole; Shallow & Directional Dig; plough 3 to 5 feet and/or under obstructions; Submarine/through swamps, muskeg, rivers, creeks, most water sources.
2. Northern Modular Datacentre
   Two methods to choose from: Purchase an RTM ("Ready To Move") container or Retrofit existing building. Install Datacentre equipment into purpose-built building. Up to 20 Server racks for initial start up.

3. Community Wi-Fi
   224 Access Points in 63 First Nations. Free for use when signing up. Good for Community Messaging - Public Service Announcements when users log in. Figure out ways to not interfere with First Nation owned ISP coverage area.

4. Fibre-to-the-Home
   Once a community has ultra-high-speed service, it can be distributed to homes and businesses. It costs virtually the same to run copper wires to each house as it does fiber. Exploration of 1-gb/s to the home - similar to Google fiber. With TV programming and voice calling streaming over the internet, this will enhance the communication services in communities.

TECHNICAL READINESS ASSESSMENT
$40,000 FNHNIB
2013 - 2014
1. IT Specialist visits 17 communities to assess the current technological state.
2. Confirmed there is less than adequate connectivity currently servicing Manitoba First Nations (MFNs).
3. More Training & Resources needed to utilize Information and Communication Technology (ICT) tools.
4. An "all Fibre Solution" is the best solution to the connectivity in MFNs.

ROADMAP DEVELOPMENT
$125,000 INAC
2015 - 2016
1. Technical Roadmap
   Overall project roadmap that builds on the technical feasibility study and outline how the project could proceed from today through to commencement of service and any incremental phasing required for commercial implementation.

2. Business Case
   Preliminary business case that advances the Project concept. This includes an analysis of the economics of the Project/Build.

3. Legal Structure
   Preliminary legal structure based on the business case. Specifically, this includes an analysis of the legal structures and governance models.

4. Market Sounding
   Undertake a market sounding of the business case on the project’s viability and critical success factors.

DESIGN AND PLANNING
$4.2M INAC
2016 - 2017
1. Network Plan
   Connect 63 MFNs with industrial grade high-speed internet.

2. Funding for Construction Costs
   Funding sources from Public and Private Partnerships.

3. Revenues and Costs
   Revenue from Anchor Tenants to sustain the O&M (Operations and Maintenance).

4. Legal Structure
   Majority ownership and control with MFNs.

5. Communication
   Bring the communities together to approve the project plan and creation of a Board of Directors that are the governance body speaking on behalf of the First Nations. Tribal Council model of the MFN Technology Council adapted for the governance model, all Directors report to their communities accordingly for updates.

6. Project Management Office
   Staff officially transferred in December 2017 to the new Corporation after all legalities were in place and the new funding from Industry Canada, Province of Manitoba, INAC, FNHNIB and other partners were secured in principle.
FUNDING ANNOUNCEMENT
UP TO $50M ISED

January 8, 2018
Joint ISED press conference announces up to $50M in funding. Total Commitment with other partners $63M.

Spring 2018
Negotiations on legal agreements continued.
Agreement: First Nations to have majority ownership and control of Clear Sky Communications Inc.
Clear Sky Connections (CSC) governance model and structure to be adopted. Branding to continue under CSC.

Negotiations continued with final outcomes to be presented at the Annual General Membership Meeting May 29 and 30.

March 2018
FNHB FUNDING
$510,000
Build, Technical, Engineering

INAC FUNDING
$4.2M
Strictly for Fibre Optic cable purchase

CLEAR SKY INDIGENOUS NETWORK
BROUGHT TO LIFE

Fall 2018/Winter 2019
Clear Sky Connections and BCN negotiate with Dig on ownership and shares distribution. Final decision is CSC and BCN have full ownership and Dig is strictly a partner via contractual arrangement.

50/50 partnership between CSC:BCN

Limited Partners: 1002S84 Manitoba Ltd.
(For Profit sector of CSC) + BCN

February 2019
CLEAR SKY CONNECTIONS SUBMITS CARRY FORWARD PLAN TO INDIGENOUS SERVICES CANADA FOR EXISTING FUNDING CONTRIBUTION AGREEMENT
FNHB: $510K (Build, Technical, Engineering)
INAC: $4.2M (Fibre Optic Cable Purchase)

Carry Forward Plan is accepted and implemented.

3 INITIAL GATEWAY COMMUNITY SITES ANNOUNCED

May 2019
Initial sites announced, termed “gateway” as they lead to other communities along the proposed Clear Sky clusters of communities.

ISED PROPOSED MERGER
August 2017
Merger between the two competing fiber optic build projects to MFNs initiated by the Federal government.

September 2017
Federal and provincial governments given official intent to merge by Clear Sky Communications Co-Chairs and Wakitowak Communications Inc. Director.

The merged company was to become Clear Sky Communications Inc. with the understanding that the proposed revisions to the legal Agreements and the Board governance would be implemented.

AMC MANDATE
August 2018
AMC passes resolution re-affirming Clear Sky Connection’s mandate to build the Manitoba Network of the Future, delivering broadband connectivity in Manitoba and the parallel training initiatives to bring the MFNs ICT Centre of Excellence to fruition.

July 2018
Clear Sky Connections withdraws from Clear Sky Communications Inc. arrangement and informs ISED that the merger will not be occurring. New partnership established in principle with Broadband Communications North and the Distinct Infrastructure Build.

CLEAR SKY INDIGENOUS NETWORK IS BORN!
June 2018
Wakitowak Communications Inc. declares agreements were signed off with AMC.

4TH ANNUAL MFNS INFORMATION & TECHNOLOGY SUMMIT & 2ND AGM MEETING
May 29 & 30, 2019
Engagement with the communities on the Path Forward and endorsement of said plan.

FORGING AHEAD
with strategic plan and ICT Centre of Excellence mandate.
2019 - Forward

ONGOING NEGOTIATIONS WITH INVESTORS
into p3 opportunities & expansion of for-profit ventures with Clear Sky.

Ongoing
ICT CENTRE OF EXCELLENCE PARTNERSHIP MODEL

Clear Sky Connections was created in response to the needs identified by the grassroots communities and mandated by the Chiefs-in-Assembly - to ensure communities are trained to be self-sufficient and to sustain the economic development opportunities as they arise - through a regional coordination approach.

Clear Sky Connections Strategic plan called for the partners to develop a shared vision for the ICT Centre of Excellence, where all stakeholders and partners can see their unique role. On October 19th, 2018 Clear Sky Connections hosted a strategic session for the ICT Centre of Excellence bringing partners together to start to establish clear roles for all partners and work together toward a common plan, rather than acting in competition.

Following are the results of the conversations to date and the next steps:

Purpose (draft)
The ICT Centre of Excellence exists so that Manitoba First Nations can support their own Information and Communication Technology development.

Mission (draft)
We provide and/or coordinate education, training and ICT solutions for Manitoba First Nations in the most effective way possible, through a network of trusted partners.

BY OCTOBER 2023, THE ICT CENTRE OF EXCELLENCE:

• Has built the foundations for technology in the communities to meet their priority needs for connectivity, maintenance and skills.
• Is a hub of support and a clearinghouse for information training, build and ICT business development opportunities for the communities.
• Populates each community with front-line First Nation ICT expertise to meet their daily operations support needs.
• Has First Nations specialized expertise, using ITIL* leadership and best practices, centrally sharing and offering high level supports for ICT staff in the communities, where economies of scale support their use.
• Fosters interest in ICT careers and supports training.
• Supports students through training and in the pursuit of their careers.
• Is supporting the Economic Development of First Nations.
• Offers technical expertise, ICT literacy and business supports.
• Is promoting the digital economy.
APPROACH TO WORK

Described in the meeting as a hierarchy of needs pyramid, this chart is intended to describe the broad range of considerations and activity that must take place in the first phases, in order to ensure that most of the considerations required in the end are addressed throughout the plan.

The activities listed in each phase are examples and by no means a definitive list.
NEXT STEPS

STEP 1) IN ONE MEETING AMONG THE PARTNERS OVER 1 DAY:

- Identify all the ICT training requirements for First Nations across the province, whether they are currently being provided or not.
- Create one collective province-wide list including training provided by for-profit, not-for-profit, educational systems, etc.

STEP 2) DEVELOP AN OVERARCHING VISION OF THE ICT CENTRE OF EXCELLENCE MODEL

- What do the communities need for ICT support?
- What do students need along their path to ICT employment?
- What do partners need to be successful?
- What will we create to meet the needs of the communities and the needs of students? a central building / campus? outreach programs? a pool of technical support? a call centre?

STEP 3) DEFINE THE GOVERNANCE STRUCTURE

- What does this regional collaboration model look like?
- Partnership Agreements?
- Service Delivery Agreements?
- What are the Funding Principles?

STEP 4) IDENTIFY FUNDING SOURCES

THE BEGINNINGS OF THE PATH TO ICT EMPLOYMENT

WHAT DO I WANT TO DO? outreach, career options, information and advice
AM I QUALIFIED? assessment, preparation and training
HOW LONG IS THE COMMITMENT? module-based programs, on the job options, exit points to different careers
CAN I AFFORD IT? tuition-based models, various student funding supports, nominal fee to increase commitment
WHERE IS IT OFFERED? CAN I LEARN ON-LINE, OR WHERE WILL I LIVE? various learning models, mobile programs, accommodation, transportation
WHAT SUPPORTS WILL I HAVE? mental health, culture shock, student advisors, mentors, family and social supports
WILL I GET A CERTIFICATE / DEGREE? industry or education accredited programs
WILL I GET A JOB? industry demand, industry education and outreach, development of in-demand skills
**SHARED VALUES:**

- Communities need long-term, sustainable capacity that they can afford, so residents can rely on their connectivity.
- All aspects of the ICT Centre of Excellence should be conceived and built on a wholistic ecosystem framework that considers:
  - what each community needs
  - what each entity in each community needs (schools, band offices, health centres, businesses, residents),
  - what needs they all share,
  - and finding efficient and effective ways to share capacity to support all.
- Economies of scale define most (if not all) decision making processes around connectivity, service delivery, maintenance, training, etc. - finding ways to meet the broadest base of needs or provide the strongest opportunities for the most people in the most rational and economical ways possible.
- Within this framework of shared capacity there will be no grey areas. People will have clear accountabilities in all roles, and checks and balances will be in place.
- We have enough information and system knowledge among the partners to make reasonable decisions now. When we identify a knowledge gap, we will look to each other first for answers, rather than undertaking any new costly and time-consuming community surveys or needs assessments.
- Communication with partners and communities is paramount. As a group, we will provide clear and reliable information to the best of our ability, reinforcing our (finalized) shared values.
- There are many gaps to fill. We don’t want to take resources or opportunities away from each other or from the communities. However, we follow the mandates of the Chiefs-in-Assembly and the support they have given in the creation of the organizations that are to take the lead in bringing initiatives to fruition. Thus it may be necessary in some areas to “repool” or “reframe” funding that may be in one envelope or envelope(s) that would make more sense to be in a new path as the organizations and businesses evolve.
- We clearly define and respect each partner’s unique role, working to complement each other’s services, negotiating together to eliminate competition among partners wherever we can.

**CHALLENGES:**

- There is not enough community level capacity to work in all areas of the tech field.
- We need training, but trained people sometimes leave the community.
- There is a spectrum of capacity across the communities, we need to define and prioritize needs.
- There are core, consistent needs across sectors.
- Most sectors don’t need / can’t afford full time supports on their own.
- End usage (ie: software) training is often sector specific.
- There are discrepancies between “Northern”, “Remote / Isolated” and “Southern” communities.
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!
BUSINESS DEVELOPMENT MANAGER

Ehigie Agbator is the Business Development Manager for Clear Sky Connections. His responsibilities include and not limited to managing the Business Development, working with various partners to ensure there are viable business opportunities for Manitoba’s First Nations Communities with the deployment of fibre optic network, as well coordinating the training piece of the MFN’s ICT Center of Excellence initiative. He is an internationally trained Business Developer; experienced in project management, with over fourteen years’ operational business management experience from multiple industries such as; Telecommunications, Insurance, Consulting, and building relationships with intergovernmental partners. Also, earned Project Management Certification, University degrees, recently trained on Digital Transformation Management. When he is not at work, he spends time with his family and studying the creator’s guide; the Holy Bible. Everyone deserves to be respected; that’s why he treats all with the utmost respect.

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.
EXECUTIVE AND FINANCE ASSISTANT

Lindsay Catcheway is an Indigenous professional woman who is dedicated and passionate about 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 10 plus years in the capacity of Social Development and Finance. 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 within Manitoba. She believes through education and creating awareness of history and the treaties, the Indigenous people will become stronger.

Lindsay is currently employed with Clear Sky Connections as the Finance Administrator.

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.
Nicole Gossfeld is from Nisichawayasihk Cree Nation and is 27 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. This past April Nicole completed her role as a Youth Leader with the Youth Reconciliation Initiative Program with the Canadian Roots Exchange; where she and team of other youth leaders hosted monthly events in Winnipeg with content around reconciliation and decolonization. Additionally she works as a co-manager of an initiative called ‘Smudge the Streets’ in Nisichawayasihk Cree Nation; during the walk they sing, drum, pray and burn traditional medicines; in an effort to spread awareness on Indigenous identity and promote healing/healthy living. Working with Clear Sky Connections enables Nicole to envision a brighter future for our Indigenous communities. She is very excited to be a part of a team that will deliver and empower connectivity in Manitoba First Nations.
ELDER

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 Manitoban's, 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 trend-setting work that continues to advance Aboriginal education in Canada.
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.
BOARD OF DIRECTORS

DIRECTOR

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

DIRECTOR

Cindy McKay (Waabingwan Ikwe) is a member of Minegozibe Anishinaabe and currently serving as a band councillor for Pine Creek First Nation (Signatory of Treaty 4). She holds the Education, Employment & Training, Lands and Resources Portfolio. Her educational background includes Business Administration and Counselling and has worked in child welfare for many years and as a business and economic development advisor. Her background also includes finance and management and is very passionate about language revitalization and helping to empower her people. She is a proud mother of 3 children with her husband Wayne of 35 years. Her oldest son Joey is in Real Estate, Jeremy will be a Lawyer with an undergraduate Commerce Degree (honours) on June 20, 2019, and her youngest son Taz is entering 3rd year University in Political Science and majoring in Economics. Cindy and her family enjoy learning about anishinaabe traditions and culture and can be seen at ceremony and pow wows during the summer.

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.
BOARD OF DIRECTORS

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
Chief Vera Mitchell (Poplar River First Nation)- Southeast Resource Development Council Corporation, Board Member
Currently in her 2nd term as Chief of Poplar River First Nation. Sits on Assembly of Manitoba Chiefs Womens Committee.
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 Clearsly Connections and looks forward to voicing the opinions and perspectives of the Youth from the southern region of Manitoba.
Independent Auditor's Report

To the Board of Directors of Clear Sky Connections:

Opinion

We have audited the financial statements of Clear Sky Connections (the "Organization"), which comprise the statement of financial position as at March 31, 2019, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards for government not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector 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.

In preparing the financial statements, management is responsible for assessing the Organization’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
2018-2019 AUDIT

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Winnipeg, Manitoba
May 21, 2019

MNP LLP
Chartered Professional Accountants
## Clear Sky Connections
### Statement of Financial Position
**As at March 31, 2019**

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>5,964,295</td>
<td>2,491,245</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>29,062</td>
<td>5,000,098</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>31,000</td>
<td>5,000</td>
</tr>
<tr>
<td>deposits</td>
<td>20,100</td>
<td>20,000</td>
</tr>
<tr>
<td></td>
<td>6,044,457</td>
<td>7,517,343</td>
</tr>
<tr>
<td><strong>Capital assets</strong></td>
<td>50,356</td>
<td>33,265</td>
</tr>
<tr>
<td></td>
<td>6,094,813</td>
<td>7,550,608</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and</td>
<td>52,740</td>
<td>73,652</td>
</tr>
<tr>
<td>accruals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>5,986,228</td>
<td>7,191,904</td>
</tr>
<tr>
<td>(Note 6)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due to First Nations</td>
<td>5,986,228</td>
<td>7,191,904</td>
</tr>
<tr>
<td>Health and Social</td>
<td>-</td>
<td>180,826</td>
</tr>
<tr>
<td>Secretariat of</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manitoba (Note 7)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6,038,968</td>
<td>7,446,382</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net assets</td>
<td>55,845</td>
<td>104,226</td>
</tr>
<tr>
<td></td>
<td>6,094,813</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
### Annual Report 2018-2019

#### Statement of Operations
For the year ended March 31, 2019

<table>
<thead>
<tr>
<th>Revenue</th>
<th>2019 Budget</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indigenous Services Canada (ISC) - Fibre Optic Cable</td>
<td>-</td>
<td>-</td>
<td>4,201,584</td>
</tr>
<tr>
<td>Indigenous Services Canada (ISC) - Design and Project Management</td>
<td>-</td>
<td>-</td>
<td>3,668,900</td>
</tr>
<tr>
<td>Other revenue</td>
<td>70,961</td>
<td>10,800</td>
<td>5</td>
</tr>
<tr>
<td>Health Canada</td>
<td>10,000</td>
<td>10,000</td>
<td>500,000</td>
</tr>
<tr>
<td>Interest income</td>
<td>-</td>
<td>100</td>
<td>-</td>
</tr>
<tr>
<td>Deferred revenue from prior year</td>
<td>7,191,904</td>
<td>7,191,904</td>
<td>-</td>
</tr>
<tr>
<td>Deferred revenue to subsequent year</td>
<td>-</td>
<td>(5,986,228)</td>
<td>(7,191,904)</td>
</tr>
</tbody>
</table>

### Total Revenues
7,272,865

<table>
<thead>
<tr>
<th>Expenses</th>
<th>2019 Budget</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative (Note 11)</td>
<td>-</td>
<td>-</td>
<td>291,602</td>
</tr>
<tr>
<td>Advertising and promotion</td>
<td>-</td>
<td>24,333</td>
<td>9,677</td>
</tr>
<tr>
<td>Amortization</td>
<td>-</td>
<td>22,787</td>
<td>11,650</td>
</tr>
<tr>
<td>Bank charges and interest</td>
<td>1,581</td>
<td>3,047</td>
<td>196</td>
</tr>
<tr>
<td>Conferences</td>
<td>15,000</td>
<td>26,199</td>
<td>22,759</td>
</tr>
<tr>
<td>Furniture and equipment</td>
<td>4,251,584</td>
<td>9,523</td>
<td>12,707</td>
</tr>
<tr>
<td>Office supplies</td>
<td>23,980</td>
<td>13,043</td>
<td>38,851</td>
</tr>
<tr>
<td>Professional development</td>
<td>11,000</td>
<td>5,747</td>
<td>233</td>
</tr>
<tr>
<td>Professional fees (Note 11)</td>
<td>2,522,320</td>
<td>447,637</td>
<td>65,359</td>
</tr>
<tr>
<td>Rent</td>
<td>-</td>
<td>103,141</td>
<td>-</td>
</tr>
<tr>
<td>Salaries and benefits</td>
<td>330,000</td>
<td>400,702</td>
<td>340,640</td>
</tr>
<tr>
<td>Staff events</td>
<td>8,400</td>
<td>8,492</td>
<td>-</td>
</tr>
<tr>
<td>Telephone</td>
<td>10,000</td>
<td>13,435</td>
<td>5,399</td>
</tr>
<tr>
<td>Travel</td>
<td>98,000</td>
<td>196,871</td>
<td>175,286</td>
</tr>
</tbody>
</table>

### Total Expenses
7,271,865

| Excess (deficiency) of revenue over expenses before other items | 1,000 | (48,381) | 104,226 |

| Other items |
|-------------|-----------------|
| Administration fees | (1,000) |

### Excess (deficiency) of revenue over expenses
- (48,381) 104,226
<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets, beginning of year</td>
<td>104,226</td>
<td>~</td>
</tr>
<tr>
<td>Excess (deficiency) of revenue over expenses</td>
<td>(46,381)</td>
<td>104,226</td>
</tr>
<tr>
<td>Net assets, end of year</td>
<td>55,845</td>
<td>104,226</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these financial statements.
<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash provided by (used for) the following activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash received from contributions</td>
<td>4,991,936</td>
<td>3,270,391</td>
</tr>
<tr>
<td>Cash paid for program service expenses</td>
<td>(894,331)</td>
<td>(554,221)</td>
</tr>
<tr>
<td>Cash paid for salaries and benefits</td>
<td>(400,702)</td>
<td>(340,640)</td>
</tr>
<tr>
<td>Cash paid for interest</td>
<td>(3,047)</td>
<td>(106)</td>
</tr>
<tr>
<td>Change in amounts due to (from) First Nations Health and Social Secretariat of Manitoba</td>
<td>(180,826)</td>
<td>180,826</td>
</tr>
<tr>
<td></td>
<td>3,513,030</td>
<td>2,556,160</td>
</tr>
<tr>
<td><strong>Capital activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases of tangible capital assets</td>
<td>(39,880)</td>
<td>(44,915)</td>
</tr>
<tr>
<td><strong>Investing</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of investment</td>
<td>(100)</td>
<td>(20,000)</td>
</tr>
<tr>
<td><strong>Increase in cash resources</strong></td>
<td>3,473,050</td>
<td>2,491,245</td>
</tr>
<tr>
<td>Cash resources, beginning of year</td>
<td>2,491,245</td>
<td>–</td>
</tr>
<tr>
<td>Cash resources, end of year</td>
<td>5,964,295</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 balances 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>Assets</th>
<th>Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computers</td>
<td>5 years</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>5 years</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>3 years</td>
</tr>
</tbody>
</table>

**Long-lived assets**

Long-lived assets consist of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

When the Organization determines that a long-lived asset no longer has any long-term service potential to the organization, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

**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. Funding received under funding arrangements that relate to a subsequent fiscal period 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. 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.
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 and due from First Nations Health and Social Secretariat of Manitoba 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. Accounts receivable

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables</td>
<td>10,000</td>
<td>544</td>
</tr>
<tr>
<td>Indigenous Services Canada</td>
<td>-</td>
<td>4,996,481</td>
</tr>
<tr>
<td>GST receivable</td>
<td>18,557</td>
<td>2,973</td>
</tr>
<tr>
<td>Receivable from Board member</td>
<td>505</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>29,062</strong></td>
<td><strong>5,000,098</strong></td>
</tr>
</tbody>
</table>

4. Investment

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>GIC due February 2020, bearing interest at 0.5%</td>
<td><strong>20,100</strong></td>
<td><strong>20,000</strong></td>
</tr>
</tbody>
</table>
Clear Sky Connections
Notes to the Financial Statements
For the year ended March 31, 2019

5. Capital assets

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Computers</td>
<td>13,483</td>
<td>2,697</td>
<td>10,786</td>
<td>-</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>27,598</td>
<td>10,503</td>
<td>17,095</td>
<td>19,932</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>43,713</td>
<td>21,238</td>
<td>22,475</td>
<td>13,333</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>84,794</strong></td>
<td><strong>34,438</strong></td>
<td><strong>50,356</strong></td>
<td><strong>33,265</strong></td>
</tr>
</tbody>
</table>

6. Deferred revenue

<table>
<thead>
<tr>
<th>Service Description</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>ISC - Design and Project Management</td>
<td>1,607,208</td>
<td>2,540,320</td>
</tr>
<tr>
<td>ISC - Pre-Purchase of Fibre Optic Cable</td>
<td>4,201,584</td>
<td>4,201,584</td>
</tr>
<tr>
<td>Health Canada</td>
<td>87,436</td>
<td>450,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,996,228</strong></td>
<td><strong>7,191,904</strong></td>
</tr>
</tbody>
</table>

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

Amounts due to First Nations Health and Social Secretariat of Manitoba are unsecured, bear no interest and have 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 Health Canada. 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.

11. Related party transactions

Included in administrative and professional fees expenses are $40,000 paid to Assembly of Manitoba Chiefs Secretariat Inc. (2017 - nil) and $12,000 (2017 - $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. Commitments

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<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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IT Manager
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Nicole Gossfeld
Administrative Assistant
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Clear Sky Connections
Manitoba’s Network of the Future

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