



2018 Annual Report

# Tr'ondëk Hwëch'in TRUST



TH Heritage Department photo



The Trust's mandate is to preserve the Trust Property for future generations of the Tr'ondëk Hwëch'in and to receiving, holding, managing, investing, allocating and otherwise any income earned by the Trust for the purposes of promoting, funding or carrying out social, community or economic development activities of direct benefit to the Tr'ondëk Hwëch'in.

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# Meet the Trustees



*Majida*  
L. Lord-Martin

Majida has worked with the Trust since 2007, has been a trustee for ten years, Happy 10<sup>th</sup> Anniversary Tr'ondëk Hwëch'in Trust! Majida continues to encourage all TH citizens, especially our younger citizens to get involved and learn about the Trust and all your businesses, investments and opportunities that exist together we can create growth & opportunities for future generations. Majida enjoys her work with the Trust and is always willing to help progress.



*MaryAnn*  
Knutson

MaryAnn has been part of the Tr'ondëk Hwëch'in Trust for the last 4 years now, she appreciates and respects working with the other Trustees who has a lot of knowledge because of the time they spent as Trustees. She enjoys living in Dawson with her family and being part of her First Nation. Her full-time work is with her husband in their small mining business which keeps her busy throughout the year.



*Darren*  
Kates

Darren is a member of the Tr'ondëk Hwëch'in First Nation. He has lived in Whitehorse Yukon for the majority of his life.

After many years working in the oil and gas industry in Alberta, Darren returned to Whitehorse Yukon to be closer to family.

Darren holds a seat as a board member of the Yukon Development Corporation. Darren is also employed with the Yukon Government as a Project Manager for Highways and Public works.

Darren has many interests that include outdoors activities within the Yukon and his Traditional Territory of the Tr'ondëk Hwëch'in.

Darren's interest in the TH Trust is to promote positive growth and maintain resources for all Tr'ondëk Hwëch'in members, current and future generation.



*Kalilah*  
Olson

Kalilah Olson, a Tr'ondëk Hwëch'in citizen has actively learned her culture since she was young, starting with the Han Singers. She participated in many of the Cultural Camps as a youth; she is currently a Youth Rep on Chief & Council representing the Youth Council. Kalilah graduated high school in 2017, she has chosen to travel to Asia in the winter months to gain life experience and explore what the world has to offer. She is very outgoing, open to try new things and always loves her visits with the elders. Kalilah currently works at Tr'inke Zho Daycare and loves engaging with the kids. She is excited to be apart of the TH Trust to learn how it all works and bring her perspective as a youth and Dawson resident. Kalilah is inspired to find a career that will embrace her cultural values, knowledge and community spirit.



# Trustees' Report



*Maureen*  
**Birckel**

Maureen has been a Trustee with the Tr'ondëk Hwëch'in Trust since its creation in 2009. She was appointed by her fellow trustees as Secretary/Treasurer in 2011, to oversee the day-to-day administrative matters for the Trust and continues in this role. She is actively involved with the "All Trusts Forum", a group of Yukon First Nation Trusts who work together to collaborate on common issues.

The Trustees are pleased to present their 2018 Annual Report. This report contains information about the Trust's private and public market investments. This year we welcomed Kalilah Olson and Darren Kates as trustees.

The Trustees mission and mandate continues to be to protect and grow the money for future generations. We are approaching the 10<sup>th</sup> anniversary since the Trust Indenture was approved by the General Assembly on September 24, 2009. This also means that the moratorium on paying monies to Tr'ondëk Hwëch'in will expire in September 2019.

In this annual report we have included a section on distributions from the Trust. The monies managed by the Trustees are to benefit all Tr'ondëk Hwëch'in citizens. How will these monies benefit citizens – that is for the citizens to decide. We encourage all citizens to get involved in making these important decisions.

Since the creation of the Trust, we have benefited from a "bull" market and our public market portfolio has continued to grow. However towards the end of 2018 the market began to show signs of turning to a "bear" market and our portfolio declined 5.5%. With the Trust benefiting from such a great run, the Trustees felt it was time to review the Trust's Public Market Investment Policy and adopted a new policy in December 2018 with the assistance of their new advisors – T.E. Wealth Indigenous Services. The Trustees will begin work on a Private Market Investment Policy in 2019.

Many of our private market investments had a great year and made regular and/or additional payments to the Trust We also purchased additional shares in Northern Vision Development Limited Partnership ("NVDLP") increasing our ownership to 16.21% making the Trust the largest investor in NVDLP.

Many of the Trust's documents can be found on the Trust's webpage [www.thtrust.com](http://www.thtrust.com) including past reports. You will note that we have removed some confidential information from the report online however, should citizens like a copy of our 2018 audited financial statements, please contact any member of the Trust.

*Mähsi,*

Maureen Birckel, MaryAnn Knutson,  
Kalilah Olson, Darren Kates,  
and Majida Lord



2008.3.1, Shirley Whitehouse  
Read donation, TH Collection

## Message from the Protector



*Daryn* Leas

Protector,  
Tr'ondëk Hwëch'in Trust

The value of the Tr'ondëk Hwëch'in Trust (the "Trust") has grown significantly since its establishment by the Assembly in 2009. At that time, the Assembly established the Trust and directed the Council to transfer the financial compensation provided to the Tr'ondëk Hwëch'in (the "TH") pursuant to Chapter 19 of the *Tr'ondëk Hwëch'in Final Agreement* and related assets to the Trust to be managed for the benefit of both our current and future generations.

Today the trust property is worth more than \$60 million and it is invested in the public market and various private companies. The volatility of the global investment environment has underlined the need for the trust property to be invested in such a diversified manner.

Despite that volatility, the Trust's public market investment has earned more than \$20 million over the past eight years.

The Trust also has significant investments in various local private companies, including the Chief Isaac Group of Companies, Kilrich Industries Limited, Northern Vision Development LP and Yukon Inn. These investments are important since these companies make significant contributions to the local economy and provide important goods and services to the Yukon. Most of these companies have generated consistent earnings for the Trust. Other companies, such as the Chief Isaac Group of Companies, required a commitment from the Trustees to support their revitalization and renewal and today they are financially stable and generating profits.

The purpose of the Trust is not to simply generate income and preserve the trust property for our future generations. The Trust was also established to distribute — or transfer — its income to TH or TH citizens to fund social, community or economic development activities of direct benefit to the TH citizens. Therefore, the Trustees have sole authority to make distributions from the Trust to the TH and/or TH citizens.

If the value of the Trust continues to grow, the Trustees hope to be able to make annual distributions. While the Trustees have no authority with respect to the administration of any funds that have been distributed to the TH, the Trustees and I are prepared to work with the TH and our fellow citizens to establish a transparent process for citizens to determine priorities for the use and allocation of funds distributed by the Trustees from the Trust. This process would ensure that TH citizens make the decisions as to how the funds distributed from the Trust are used.

As the Protector, it is my responsibility to ensure that the Trustees are managing and administering the Trust in the best interests of the Trust Beneficiaries and the Trust operates in accordance with the trust indenture. In my view, the Trustees — Maureen Birckel, Majida Lord, MaryAnn Knutson, Kalilah Olson and Darren Kates — continue to carry out their duties in a prudent and professional manner and act in the best interests of the TH and TH citizens with respect to the operation of the Trust and the management and administration of the trust property. I acknowledge their commitment and recognize their efforts to work in our best interests.

I also appreciate the efforts of the TH citizens, including Elders, who have attended the annual luncheon meetings and the meetings with the Elders and Youth throughout the past year to learn about the Trust and provide guidance and feedback to the Trustees.

If you have any questions or require any information about the Trust, please do not hesitate to contact me at your convenience at [daryn.leas@me.com](mailto:daryn.leas@me.com).

*Mähsi.*

Daryn Leas,  
Protector, Tr'ondëk Hwëch'in Trust

# About the Trust



## How was the decision made to create the Trust?

Chief and Council created the Trust Committee (Doris Martin, Ronald Johnson, Angie Joseph-Rear, Pat Titus and Majida Lord) in 2008 at the direction of the General Assembly. This committee held community meetings in both Whitehorse and Dawson and asked citizens what was important to them in creating a Trust Indenture. The Trust Indenture was finalized and submitted to the General Assembly for final approval in 2009.

## Who is the Tr'ondëk Hwëch'in Trust?

The Tr'ondëk Hwëch'in Trust was formally established on September 24, 2009 through the irrevocable Trust Indenture approved by the General Assembly in August 2009. The Trust is a separate legal entity from Chief and Council and the Government. The Trust Indenture provides the Trustees with authority to manage and invest the compensation dollars.

## What is a Trust?

A legal relationship where one party transfers property to another party for the benefit of a third-party. (Example: Tr'ondëk Hwëch'in transferred its compensation dollars and business assets to the Tr'ondëk Hwëch'in Trust for the benefit of all Tr'ondëk Hwëch'in citizens).

## What is the purpose and objectives of the Tr'ondëk Hwëch'in Trust?

- ▶ To preserve the Trust Property for future generations.
- ▶ To receive, hold, manage, invest and allocate income earned from Trust Property for the purpose of:
  - ▶ promoting, funding or carrying out social, community or economic development activities of direct benefit to the Tr'ondëk Hwëch'in;
  - ▶ for the benefit of all citizens of Tr'ondëk Hwëch'in.



# Distribution from the Trust

# Questions & Answers

TH Heritage Department photo



## What is the Trust?

The General Assembly approved the trust indenture in 2009 (the “Indenture”) which established the Tr’ondëk Hwëch’in Trust (the “Trust”) and set out the terms and conditions to govern its management and administration. The Indenture also establishes the roles and responsibilities of the Trustees and Protector.

The Trust is separate and independent from the Tr’ondëk Hwëch’in (the “TH”). It is responsible to hold and manage the financial compensation investments and certain other assets of the TH on behalf of the TH citizens.

## What is the Trust property?

“Trust property” refers to the monies and assets transferred or settled on the Trust.

The TH Council transferred the financial compensation paid to the TH under the Tr’ondëk Hwëch’in Final Agreement (the “Final Agreement”) to the Trustees. In addition, the TH transferred various investments made with the TH financial compensation before the establishment of the Trust and certain other assets, that were purchased with surplus program and service or administrative funding.

Today the value of the trust property is approximately \$65 million.

## How is the Trust property managed?

The Trustees have a legal obligation to manage the trust property in the best interests of the Trust Beneficiaries in accordance with their broad powers, authorities and liabilities under the Indenture.

The Trustees made an investment policy to guide the investment of the trust property. Shaunessy Investment Counsel, the manager of the Trust’s public market investments, invests the trust property in accordance with this investment policy.

The Trust’s ownership interests in various companies are managed by the boards of the specific companies. The Trustee appoints persons to these boards who are responsible to provide periodic reports to the Trustees.

Please see page 10 of this annual report that provides a summary of the investments of the trust property.

## Why is Trust property distributed from the Trust?

While the Trustees have authority under the Indenture to make distributions of the trust property to a Trust Beneficiary in accordance with the Indenture, it must be noted that the General Assembly passed a resolution requesting that the Trustees not make any distributions from the Trust until 2019 so that the trust property would grow for the benefit of future generations, unless such a distribution was required to mitigate or reduce the tax liability of the Trust.

When the Trustees make a decision to distribute a portion of the trust property to a Trust Beneficiary, that decision would be based on one of two objectives: to provide benefits for the current generation of TH citizens or to mitigate any tax liability with respect to the Trust’s investment income.

### A) Distributions to the current generation

The Trustees intend to provide annual distributions to the TH that would be used to benefit the current generation of TH citizens. While the Indenture only provides that the income earned by the Trust must be used to promote, fund or carry out social, community or economic development activities of direct benefit to the TH, the Trustees have recommended that the TH establish a policy that would direct how the distributions are used and allocated for the benefit of the current generation. This would provide transparency and accountability as to how the distributions are managed by the TH.

Such distributions require the Trustees to consider the impacts for future generations.

### **B) Distributions to mitigate or reduce tax liability**

If the Trust is operated in accordance with the Indenture, any income earned in the Trust should not be subject to tax. In general, income earned by the capital would not be subject to taxation and any tax on the secondary income would be mitigated if the Trustees make a distribution to a Trust Beneficiary.

“Capital” refers to the original funds that were transferred or settled on the Trust by the TH, including the income earned directly from those original funds. Capital does not include secondary income. “Secondary income” is the earnings or income that was made from the income of the capital. In other words, secondary income is the “earnings on earnings.”

It is expected that all secondary income for a taxation year would be paid to the TH since secondary income is taxable in the Trust. If the secondary income is distributed to the TH, it would not be taxable so long as the TH maintains its tax status under the Tr’ondëk Hwëch’in Self-Government Agreement as “a public body performing a function of government in Canada” in accordance with the Income Tax Act (Canada).

To date, there has not been any secondary income generated that required distributions from the Trust in order to reduce tax liability since the Trustees have organized the affairs of the Trust in order to avoid taxation of secondary income. In particular, the operational expenses of the Trust have sheltered the secondary income amounts. However, it is expected that secondary income distributions will be required in the near future in order to avoid taxation.

Although the Trustees may distribute a portion of the capital to a Trust Beneficiary, these distributions cannot be more than an aggregate of 2.5 percent of the capital of the Trust within any five-year period, unless the Protector issues a written resolution permitting such a distribution.

## **Who makes decisions about the use and allocation of the Trust property distributed from the Trust?**

Only the Trustees have the authority to make a decision to make a distribution of the trust property to a Trust Beneficiary. However, they have no authorities or powers as to how a Trust Beneficiary may use or allocate the trust property to them. As noted above, the Indenture only provides that the income earned by the Trust must be used to promote, fund or carry out social, community or economic development activities of direct benefit to the TH.

To date, the TH has not yet adopted any policy or guidelines with respect to the allocation and use of funds distributed to it from the Trust. The TH established a disbursement committee in 2015 to recommend a policy to the General Assembly for the allocation and use of funds distributed from the Trust to the Trust Beneficiaries. The committee consisted of one ex-officio representative from the Council, one Elder representative, one Youth representative and two citizens at large, all appointed by the Council. It was directed to convene meetings with citizens and Elders to seek their comments and views.

This policy has not yet been presented to the General Assembly. I assume that this policy will specify how TH citizens will determine how these funds will be used for their benefit. It is our understanding that this committee has now been dissolved and the TH is now engaging directly with TH citizens.

We look forward to continuing to work with the TH to ensure that the funds distributed from the Trust meet its specific purposes: ensuring that income earned by the Trust is used to promote, fund or carry out social, community or economic development activities of direct benefit to the TH.



# Organizational Structure



Tr'ondëk Hwëch'in  
TRUST



39484  
Yukon Inc.



Property Management,  
Security Divisions,  
RAB Energy

Tr'ondëk Heavy  
Equipment



"Your Home Away From Home"

Tr'ochëk Limited  
Partnership

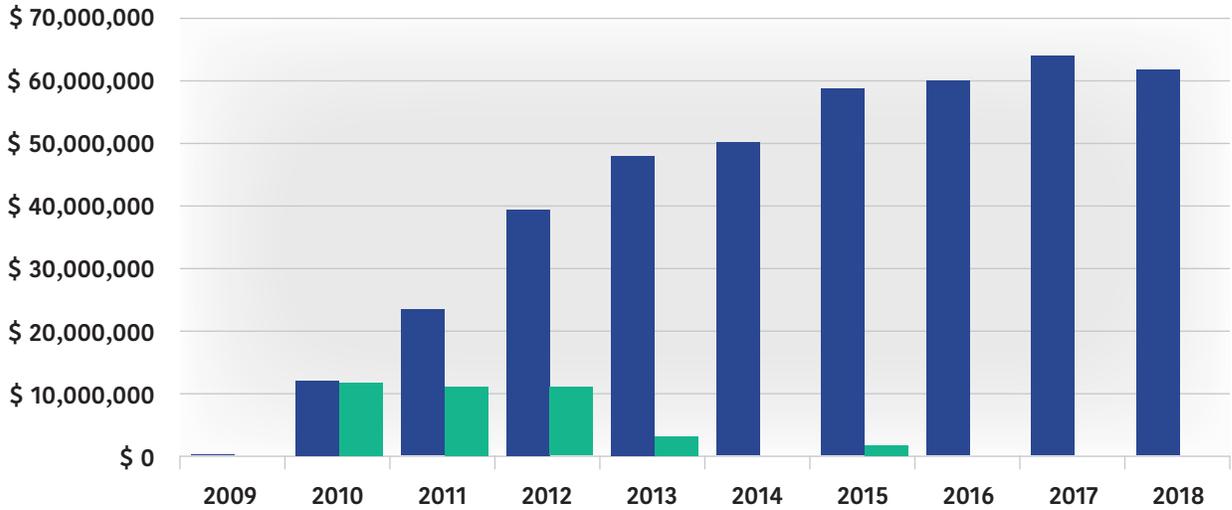


TH Heritage Department photo



# Tr'ondëk Hwëch'in Trust Portfolio

VALUE OF PORTFOLIO SINCE INCEPTION - 2009



■ Portfolio Value    ■ Compensation Dollars / Assets Received

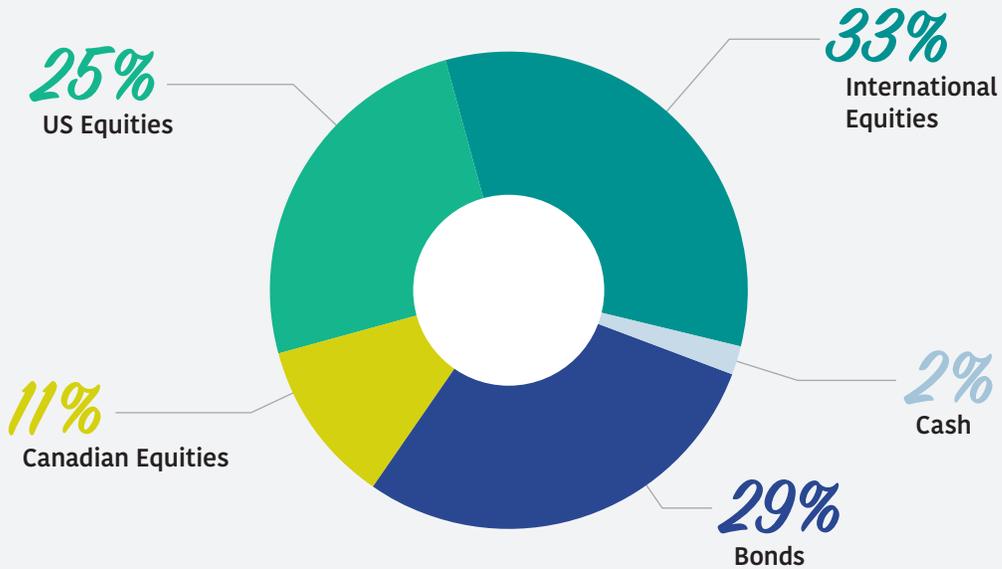
- 2010 \$11,773,975 Compensation Dollars settled on Trust
- 2011 \$11,104,317 Compensation Dollars, Powerline loan, Kilrich, THE settled on Trust
- 2012 \$11,058,780 Compensation Dollars, CII Group of Companies , Tr'ochëk LP settled on Trust
- 2013 \$3,202,121 Compensation Dollars settled on Trust
- 2015 \$1,724,062 Yukon Inn settled on Trust



2006.32.1, Cameron donation, TH Collection

## Detailed Public Holdings

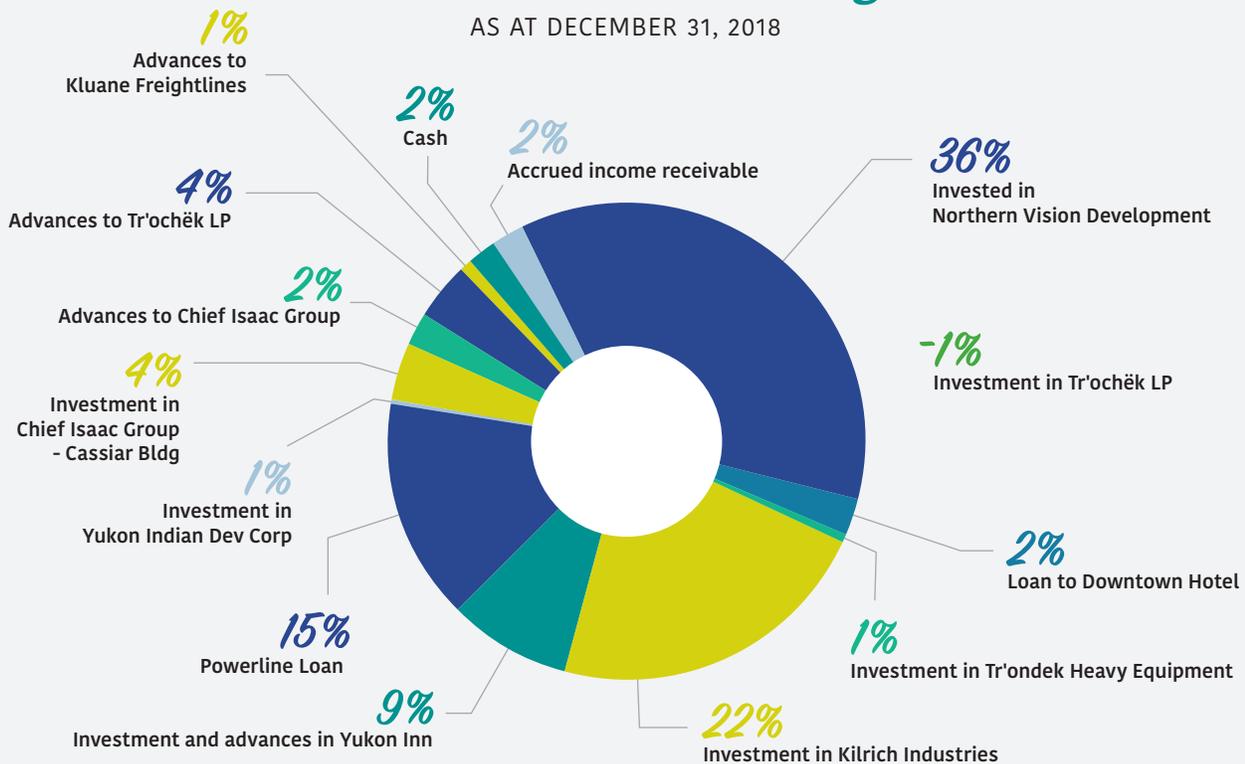
AS AT DECEMBER 31, 2018



This chart represents **60%** of the total portfolio of the Tr'ondëk Hwëch'in Trust.

## Detailed Private Holdings

AS AT DECEMBER 31, 2018

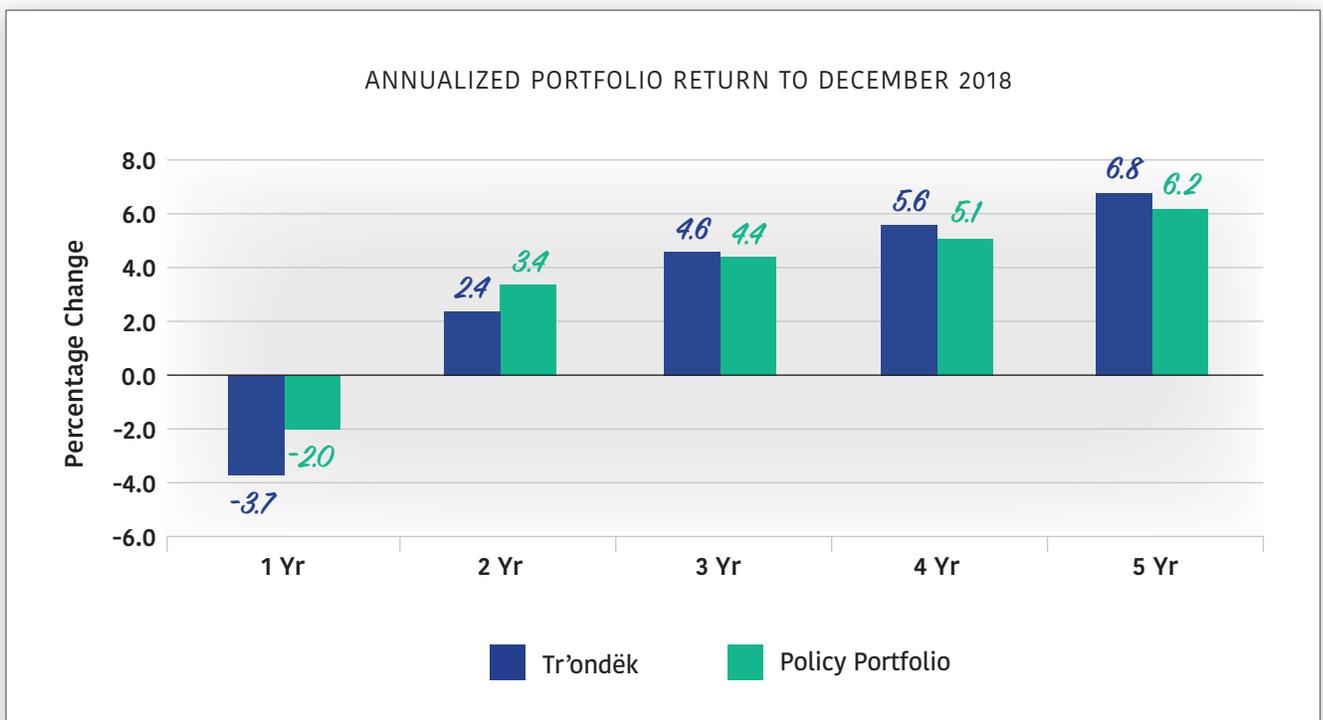


This chart represents **40%** of the total portfolio of the Tr'ondëk Hwëch'in Trust.

## Investment Performance

Portfolio	Q4 2018	Q3 2018	Q2 2018	Q1 2018	12 months Dec. 31 2018	Since Inception March 2011
Portfolio \$ Millions	\$39.1	\$40.9	\$43.7	\$43.2		
Tr'ondëk Portfolio	-5.5	-0.2	1.6	0.5	-3.7	72.0
Policy Portfolio	-5.2	0.7	3.1	-0.3	-2.0	

Despite on going solid fundamentals (low interest rates, tame inflation and good corporate profits) global capital markets gyrated wildly as the year drew to a close. This resulted in negative portfolio returns for the first time in over five years. The widespread market sell-off had more to do with investor confidence than any particular event although the combination of higher interest rates, China-US trade tensions and Trump's capricious behavior was not helpful. For the quarter and year, we underperformed the benchmark portfolio. Your investment returns benefited from an emphasis on US stocks and corporate bonds as well as an underweight in Canadian equities. Our higher weight in international equities, however, dragged down overall portfolio returns. We expect that a rotation into non-US stocks and subdued enthusiasm for the US technology sector will allow performance to catch-up in 2019.



# Capital Markets Investments Report

## Investment Manager:

- ▶ Shaunessy Investment Counsel Inc. was selected by the Trust in 2011 to manage capital market investments
- ▶ Terry Shaunessy is the President and Portfolio Manager and Mark Kryzan is Vice President, Client Services
- ▶ The investment manager is obliged to comply with an investment policy and guidelines developed by the Trust to ensure that portfolio risk is well controlled
- ▶ Trustees meet with or hold a conference call with the manager every 3 months to review performance, investments and compliance

## Trust Investment Objective and Performance:

- ▶ The goal of the Trust is to prudently invest in a diversified portfolio of global stocks and bonds
- ▶ Investment objective: 7% - 8%
- ▶ Annual returns are summarized in the table below
- ▶ The value of the portfolio has increased by approximately \$9 million in the past five years and over 72% since 2011
- ▶ The Trust's 5-year annualized return is 6.8% – ahead of the benchmark at 6.2% but noticeably down from the 5-year annualized return to December 2017 of 11%. This is due to the sudden decline in stock market valuations in December 2018 and the impact of that on end-date sensitive data such as annualized returns.
- ▶ Performance in the past 5 years is primarily attributable to strong U.S. equity markets and a rising U.S. dollar.

ANNUAL RETURNS vs. BENCHMARK TO DECEMBER 31, 2018

	2015	2015	2016	2017	2018
THT Portfolio	11.4	8.7	9.1	9.0	-3.7
Benchmark	10.5	7.5	6.8	9.4	-2.0

## Investment Outlook 2019:

Over the past 5 years, there have been repeated, but relatively short-lived incidents of market volatility owing to macro-economic and political concerns. In 2018, steadily rising interest rates as a result of the Federal Reserve's quantitative tightening, also contributed to volatility. Rising interest rates force investors to reconsider the future value of both stock and bond investments.

In such circumstances, a very diversified portfolio of stocks and bonds, such as the one managed by Shaunessy, will go up and down in value broadly in line with capital markets, but will always trade freely and rebound when investors regain confidence. Since the dip in value in late 2018, the Tr'ondek portfolio has rebounded by 6.5% in late February. The main challenge in the current environment is for investors to not be out of risk assets (stocks) because of volatility.

The portfolio in 2019 is at 70% equity exposure. In the wake of the correction in 2018, major indices offer compelling valuations at current forward P/E ratios and attractive dividend yields. For example, the S&P 500 dividend yield is 2.8% while U.S. 10 year bonds offer 2.7%. The indiscriminate selling in late 2018 of non-U.S. equities, has made large cap Asian, European and even Canadian stocks relatively attractive and we expect these markets

to out-perform in the coming year. The portfolio allocation to international large cap stocks accordingly is at 33% of the portfolio. We also expect market rallies to be much broader than in 2018 when a single sector – technology – out-performed significantly. Canada's stock market remains domestically or only North America focused and relatively undiversified (heavily weighted to banks and energy) and potentially has more investment risk than broader non-domestic stock markets.

In January the U.S. Federal Reserve signaled a pivot in its monetary policy. After aggressively raising rates for 2 years, the Fed Chairman, Jerome Powell, said that it would halt rate increases even though the U.S. economy is at full employment and had been showing strong growth throughout 2018. Notwithstanding the potential risks of a global deceleration in GDP and other concerns, a halt in interest rate increases is positive for stocks and neutral for bonds (rate increases are actually negative for bonds). At this time, we continue to hold a well-diversified bond position with tilts to shorter duration as at the present time a relatively flat yield curve does not reward holding longer-term bonds.

Terry Shaunessy and Mark Kryzan

# T.E. Wealth Indigenous Services



On behalf of T.E. Wealth's Indigenous Services practice, we are very honored to be able to support the Tr'ondëk Hwëch'in Trustees surrounding the Trust's ongoing investment advisory needs.

Joining the Trustees in 2018, our role is to assist with;

- ▶ Planning and implementation of future strategies
- ▶ Citizen communications and consultation
- ▶ Investment Policy planning and development
- ▶ Ongoing monitoring/measurement of investments

T.E. Wealth has been in business for over 45 years (1972) with offices in Vancouver, Calgary, Toronto and Montreal and we are proud to work with over 40 First Nation Community Trusts across Canada.

We believe that *"the key to sustainable wealth is the ability to meet the needs of today without compromising the ability of future generations to meet their own needs"...*

Warren Buffet, a famous investor said *"Someone is sitting in the shade today, because someone planted a tree a long time ago"...*

It is our objective to assist in achieving such sustainable Community wealth to ensure a prosperous, healthy and culturally-vibrant community.

Thank you for allowing us to join you on this important journey and we look forward to meeting with you soon!

Jack Jamieson  
Vice President

Victor Pelletier  
Assoc. Vice President



# *The Corporations*



2016.4.1, Chappell family donation,  
TH Collection



# Chief Isaac Group of Companies

Established: JUNE 8, 1984 Date Acquired: 2012

Percentage of ownership by  
Tr'ondëk Hwëch'in Trust

100%



The mandate of the Chief Isaac Group of Companies is to maximise profitable and sustainable revenue streams for our shareholder, the Tr'ondëk Hwëch'in Trust on behalf of all Tr'ondëk Hwëch'in Citizens.

Our corporation respectfully carries the name of the historic Chief who led the Tr'ondëk Hwëch'in at the time of the Klondike Gold Rush during the late 1800s. For more information on Chief Isaac, please visit [chiefisaac.com/the\\_chiefs.html](http://chiefisaac.com/the_chiefs.html).

Our corporation serves local people, Yukon businesses as well as national and international customers. We own and operate companies in fuel, security, janitorial, catering, freight, construction, heavy equipment and heavy / light automotive repair.

We also manage joint ventures with carefully selected partners in mining, camp services, fuel, transport, logistics, tourism and property.

As part of our mission, we strive to be the go-to business partner, the place where everyone wants to work and a good neighbour. We focus on three areas to deliver that mission:

**Customer service** – by focusing on our customers and providing the very best service we can we promote loyalty, build our reputation and grow our business.

**Internal alignment** – we engage our staff in the future of the business, provide great career opportunities, and offer good pay, benefits and work-life balance.

**Partnerships** – our joint ventures help us to learn, grow our revenue and expand the range of services we can offer. Partners also bring extra benefits to the community, such as additional jobs and scholarship funding.

For more information about our corporation and businesses, please visit [ChiefIsaac.ca](http://ChiefIsaac.ca)

## Contact

**Chief Isaac Group of Companies**  
Main Contact Person: McGarry Selbee  
Tel: 867-667-7917  
Email: [mcgarry.selbee@chiefisaac.ca](mailto:mcgarry.selbee@chiefisaac.ca)

### Dawson City

PO Box 1110  
Dawson City, YT Y0B 1G0  
Tel: 867-993-5384  
Email: [info@chiefisaacgroup.ca](mailto:info@chiefisaacgroup.ca)

### Whitehorse

Unit 420, 2237 - 2<sup>nd</sup> Avenue  
Whitehorse, YT Y1A 0K7  
Tel: 867-667-7917  
Email: [info@chiefisaacgroup.ca](mailto:info@chiefisaacgroup.ca)

## Directors

Gina Nagano, Norman Eady, Tim Koepke,  
Paul Gruner and Patti Balsillie

### Citizen Discount Information

Discount



*Subject to Change without notice*

Tr'ondëk Hwëch'in citizens are eligible for a 10% shareholder discount on windows/doors and vehicle windshields repairs/replacement at Northern Windows (RAB Energy Group Inc.). To qualify for this discount citizens are required to inform Northern that they are a citizen of a shareholder and show their status card/Tr'ondëk Hwëch'in citizenship card to receive the discount.



# CII Property Management

Established: JUNE 8, 1984    Date Acquired: 2012

Percentage of ownership by Tr'ondëk Hwëch'in Trust **100%**



## A Neighbour You Can Count On

Rely on us to care for and protect your home and business assets. From property management to security to camp supply and service, Yukoners have depended on us for nearly 30 years.

### Property Management

- ▶ Commercial and residential services
- ▶ Custodial
- ▶ Building monitoring
- ▶ Freeze-up prevention and year-round building checks
- ▶ Property maintenance and snow removal
- ▶ On-call, first response for service or maintenance calls

### Security Services

- ▶ Fully licensed security service and guards
- ▶ On-call and alarm response
- ▶ Patrol services for buildings, work sites and camps (random or scheduled)
- ▶ On-site and special event security
- ▶ Airport baggage checks for private companies

### Property Rentals and Development

- ▶ Commercial and residential units available for rent

## Camp and Catering Services

- ▶ Kitchen staff (head cooks, 2nd cooks, bakers and dishwashers)
- ▶ Custodial and maintenance staff
- ▶ Staff labour positions
- ▶ Full camp build/management service in partnership with Summit Camps

How can we help you?



## Contact

**Margie Kormendy**  
 General Manager  
 Tel: 867-993-5384, ext. 2  
 Cell: 867-993-3720  
 Email: marge.kormendy@chiefisaacgroup.ca

**CII Property Management**  
 PO Box 1110, Dawson City  
 YT Y0B 1G0  
 Tel: 867-993-5384  
 Email: info@chiefisaacgroup.ca



# Mackenzie Petroleum Ltd.

Established: 1992 Date Acquired: 2012

Percentage of ownership by  
Tr'ondëk Hwëch'in Trust

100%



## Great customer service is our number one priority

MacKenzie Petroleum has been in business for over 40 years in the Dawson area. We pride ourselves on our commitment to customer service – we always 'jump to the pump'.

Many of our customers are in the mining industry and we provide gas, diesel, lubricants, propane and welding supplies. We also serve other businesses and individuals in Dawson with those products, as well as delivering heating oil. We never let our customers run out.

Our account customers have 24-hour cardlock access to fuel. For our propane customers we offer on-the-spot cylinder and auto filling.

With our spacious forecourt there is plenty of room for even the biggest rigs, buses and RVs to fill up and turn around comfortably.

We test our fuel regularly to make sure it's clean – we want to make sure our customers always get a great product and great service from MacKenzie. Our prices are always competitive because we know our customers have a choice.

## Our full range of services include:

- ▶ Fuel: gas and diesel
- ▶ Fuel and heating oil delivery
- ▶ Propane cylinder and auto filling
- ▶ Lubricants: a full range of Canadian-manufactured Boss Lubricants
- ▶ Jacobs Industries' Agent for welding supplies
- ▶ Easy access/turning for trucks and RVs
- ▶ 24-hour cardlock for account customers

## How can we help you?



## Contact

**Steve Gabryelczyk**  
General Manager  
Tel: 867-993-5445  
Email: [steve.gabryelczyk@mackenziepetroleum.ca](mailto:steve.gabryelczyk@mackenziepetroleum.ca)

**MacKenzie Petroleum**  
103 Callison Way, Callison Subdivision, Dawson City  
PO Box 647, Dawson City, YT Y0B 1G0  
Tel: 867-993-5445, After hours: 867-993-3715, Fax: 867-993-5452  
Email: [customer.service@mackenziepetroleum.ca](mailto:customer.service@mackenziepetroleum.ca)



# Kluane Freight Lines Ltd.

Established: 1992 Date Acquired: 2012

Percentage of ownership by Tr'ondëk Hwëch'in Trust **100%**



## Keeping the North connected for over 30 years

Kluane Freight Lines is our logistics company previously based in Whitehorse, Edmonton and Dawson City. In December 2018 we completed an agreement with Manitoulin Transport to transfer our Whitehorse and Edmonton operations and staff to Manitoulin.

In a highly competitive industry, Kluane was struggling to compete against much bigger operators. Merging the operations with Manitoulin gives us access to their Canada-wide network, freight expertise and logistics systems.

Kluane Freight lines Ltd. continues to employ the staff at our Dawson hub and to own the site there.

Our agreement with Manitoulin provides us with ongoing revenue from all freight shipped between Whitehorse and Dawson (wherever it originates). We have also set up a joint venture partnership with Manitoulin to develop new freight opportunities in the Yukon as we grow our business here. Their wide range of equipment allows us to win business we previously could not have serviced.

Our Dawson hub is open for business as usual and we're looking forward to working with you. We ship small packages to large trucks and everything in-between.



**How can we help you?**

## Contact

**Don Tutin**  
Manager  
Tel: 867-993-5632  
Email: dtutin@kluanefreight.ca

**Kluane Freight Lines**  
Lot #13 Callison Way,  
Dawson City, YT Y0B 1G0  
Tel: 867-993-5632  
Fax: 867-993-6525  
Email: info@kluanefreightlines.ca



# Han Construction

Established: 1992 Date Acquired: 2012

Percentage of ownership by  
Tr'ondëk Hwëch'in Trust

100%



Han Construction was started in 1992 to meet the residential construction and maintenance needs of the Tr'ondëk Hwëch'in while creating employment and training opportunities for our Citizens.

Han Construction has seen many successes. Under the apprenticeship program with qualified journeyman on staff, many of our Citizens gained their journeyman carpentry tickets and went on to start their own companies.

Many of the buildings around Dawson and in Whitehorse were built by Han and our Citizens such as the Dänojà Zho Cultural Centre,

the Tr'ondëk Hwëch'in Administration Building and the Spook Creek Station in Whitehorse. Many of the Tr'ondëk Hwëch'in housing department homes were built in partnership with the Canada Mortgage and Housing Corporation.

Currently, Han Construction is developing and financing construction of an apartment block on the site of the old Cassiar Building in Dawson. The "Eliza Isaac" building will provide fourteen new living units to the city. This project will complete in the fall of 2019.

## How can we help you?



### Contact

**Han Construction**  
1371 - 2nd Ave  
Dawson City, YT Y0B 1G0  
Tel: 867-993-5220, ext. 231  
Email: [info@chiefisaacgroup.ca](mailto:info@chiefisaacgroup.ca)

# Tr'ochëk Limited Partnership

## 39484 Yukon Inc.

Established: 2012    Date Acquired: April 2013

Percentage of ownership by  
Tr'ondëk Hwëch'in Trust **100%**



Tr'ochëk Limited Partnership ("TLP") is the Trust's private real estate partnership and is managed by its general partner 39484 Yukon Inc., a corporation wholly owned by the Trust.

39484 Yukon Inc. was originally incorporated by Tr'ondëk Hwëch'in to hold the Platinum Road property in Whitehorse. When the corporation was transferred to the Trust, Tr'ochëk Limited Partnership was formed.

The Platinum Road property currently has three corporate tenants – Kluane Freight Lines Ltd., Goldcorp and Cantex Mining, as well as one residential unit which is rented to a TH citizen.

In 2013, TLP entered into an agreement with Northern Vision Development Corp. to form the Dawson Downtown LP, a 50/50 venture set up to acquire the Downtown Hotel.

In 2014, TLP purchased Unit 420 in Waterfront Station. The offices are currently rented to Chief Isaac Incorporated, Yukon First Nation Chamber of Commerce and Nacho N'yak Dun Development Corporation.



### Contact

#### Tr'ochëk Limited Partnership

Unit 420, 2237 - 2nd Avenue  
Whitehorse, YT Y1A 0K7  
Tel: 867-667-7917



# Kilrich Industries Limited

Established: 1977 Date Acquired: 2008 Transferred to THT: 2011

Percentage of ownership by  
Tr'ondëk Hwëch'in Trust

**41.33%**



Kilrich Building Centres strives to be the contractor's choice for professional grade construction materials, custom trusses, building supplies and tools. Founded in 1977, Kilrich is the largest building materials supplier and truss manufacturer north of 60. Based in Whitehorse, Kilrich delivers a full range of building and construction materials to communities across Yukon, Northwest Territories, Northern BC, and Alaska.

Kilrich continues to grow its inventory and services provided to maintain its vision of being "the preferred supplier for the Yukon builder". New product offerings for 2018/2019 include commercial grade stone composite flooring, brown pressure treated lumber and decking,

pre hung door packages, custom milled hardwoods, and various new lines of hardware, power tools, hand tools and accessories.

Kilrich had another extremely successful year in 2018, and achieved significant growth for the 5th consecutive year. Kilrich Industries is owned by the Trust (41.33%), Chu Niikwän Development Corporation (Kwanlin Dün) (25%), dāna Näye Ventures (12.5%), and the original owners Anne Marie Peeters, Richard Boyd and Denlin Holdings Ltd. (21.17%).

## Directors

Richard (Rick) Reaume,  
Ernie Bourassa, Jorn Meier



## Contact

**Kilrich Industries Limited**  
30 Denver Road  
Whitehorse, YT Y1A 5S7  
Tel: 867-668-595  
Email: sales@kilrich.ca

### Citizen Discount Information

*Subject to Change without notice*

Tr'ondëk Hwëch'in citizens are eligible for a discount on building supplies purchased from Kilrich Industries Ltd. — "their best contractor's rate".

Contact Rob Fordham at 867-668-5958 or sales@kilrich.ca to obtain a price quote and identify yourself as a Tr'ondëk Hwëch'in citizen.





# Northern Vision Development LP

Established: 2004 Date Acquired: April 2012

Percentage of ownership by Tr'ondëk Hwëch'in Trust **16.21%**



Northern Vision Development Limited Partnership (“NVD”) is one of the Yukon’s leading real estate real estate developers, while also being a major property and hotel owner and operator. The partnership owns and operates four hotels in the Yukon, and it is currently engaged in the development of iconic residential real estate on the Yukon River waterfront in Whitehorse. Its real estate portfolio includes more than 180,000 square feet of leasable premises, made up of primarily commercial office and retail space.

NVD is managed by its general partner, Northern Vision Development Corp. THT, as NVD’s largest shareholder, has representation on the NVD board. The partnership follows a business plan and policy that supports both net asset value growth and the provision of regular distributions to its unitholders.

NVD posted strong operating income results in 2018, growing net income before extraordinary items by 15.4% over 2017 to \$2.8 million. The partnership raised \$7 million through a mid-year private placement with the funds being deployed towards the building of its \$25 million River’s Reach II residential condominiums in Whitehorse. To assist with the development of that project, it delayed the payment of distributions late in the year.

The net asset value of the partnership continues to grow significantly, and at year end its enterprise value exceeded \$100 million. Its hotel division recorded a record year in 2018, with operating income of over \$4.9 million. Significantly, the Downtown Hotel which is owned in a 50/50 partnership with the Trust,

posted record profits and enjoyed a banner year – delivering on the expected returns for this investment.

The strong Yukon economy assisted NVD in 2018 and supported growth in its real estate rental activities of 6.3%, allowing it to make a margin contribution of \$2.6 million to the partnership. As a real estate enterprise, the partnership’s results have a high degree of dependency on its weighted average cost of debt. In June 2017 the partnership shifted its debt portfolio from 30% to 70% fixed rate, which caused an increase in interest expense but a reduction in its risk profile. This move has paid off significant dividends as variable rates have moved in the subsequent period to a level above the fixed rates negotiated in 2017.

The Trust is the largest unitholder (16.21%) in NVD. Other major unitholders include the Ta’an Kwäch’än Council, and the Carcross Tagish First Nation’s Daana Jili Trust. First Nations grew their total percentage interest in the partnership in 2018 to 35.4% led by an additional investment made by the Trust. Yukon investors, including First Nations, own 60% of the partnership and the remaining 40% is owned by investors across Canada and primarily located in Calgary. The Trust provides input and guidance to the partnership through Lori Simcox who is appointed to the board of NVD on the recommendation of the Trust.

*Director* Lori Simcox

**Contact** Northern Vision Development LP  
Suite 209, 212 Main Street  
Whitehorse, YT Y1A 2B1  
Tel: 867-668-7886  
Email: admin@nvdlp.com

## Citizen Discount Information

*Discount*



*Subject to Change without notice*

Tr'ondëk Hwëch'in citizens are eligible for a discount on hotel rooms at the Gold Rush Inn, High Country Inn and Edgewater Hotel, as follows:

**Winter rate: \$99.00 + GST | Summer rate: \$129.00 + GST**

You must ask for the “Tr'ondëk Hwëch'in Trust” rate when making the reservation and must show your status card or Tr'ondëk Hwëch'in citizen card on check-in, if requested.



Established: 2012  
Date Acquired: 2010

Percentage of ownership by  
Tr'ondëk Hwëch'in Trust

100%



## Chief Isaac Mechanical

### The best mechanics shop in the North

From our workshop on the Callison Industrial Area in Dawson City we service and repair small engines, light vehicles, trucks and heavy equipment.

We also provide a roadside recovery service to make sure people can get on their way as soon as possible if they have mechanical issues.

Our full-service mechanical shop can handle everything from check ups to tire changes to engine rebuilds.

In the summer months we specialize in servicing, repairing and recovering visitors' RVs and vehicles.

We get great customer feedback online and in person. So how can we help you?

Our services include:

- ▶ Heavy duty equipment & automotive repairs
- ▶ Tire shop
- ▶ Full tune ups and preventative maintenance
- ▶ Designated Inspection Facility for Commercial Vehicles
- ▶ RV service & repair
- ▶ 24-hour mobile emergency assistance
- ▶ Small engine repair

## Tr'ondëk Heavy Equipment

From our depot in Dawson City we provide rentals of heavy equipment for private contracts and government works.

As well as the equipment, we can also provide qualified operators by the hour, day or week.

Our services include:

- ▶ Tractors, dump trucks, loaders, excavators
- ▶ Snow removal by contract
- ▶ Listed government supplier for heavy equipment work



### Contact

#### Chief Isaac Mechanical Sean Aitken

Lot #11 Callison Way,  
Dawson City, YT Y0B 1G0  
Tel: 867-993-6552  
Email: sean.aitken@chiefissacgroup.ca

#### Tr'ondëk Heavy Equipment

PO Box 1149,  
Dawson City, YT Y0B 1G0  
Tel: 867-993-5730  
Email: info@chiefissacgroup.ca

#### Margie Kormendy

General Manager  
Tel: 867-993-5384, ext. 2  
Cell: 867-993-3720  
Email: marge.kormendy@chiefissacgroup.ca



# Downtown Hotel

Established: Early 1900's Date Acquired: July 2013

Percentage of ownership by Tr'ondëk Hwëch'in Trust **50%**



With a lineage dating back to the Gold Rush, the Downtown Hotel is located in the heart of Dawson City, combining turn-of-the-century atmosphere with modern comfort. It is a full-service hotel with a restaurant, lounge and conference room and home of the world famous "Sourtoe Cocktail".

Since taking ownership of the hotel, the rooms have been renovated and has been rated #1 by TripAdvisor as "Best Value Hotel in Dawson City". In 2018 the hotel experienced a break out year in terms of performance and delivered returns in line with the Trust's expectations. Management and staff have worked diligently to create an outstanding guest experience and their collective efforts of the past five years delivered strong results in 2018 which have carried forward into 2019 – reducing the volatility of seasonal performance and setting up the Downtown as a solid and reliable investment for the Trust.

Since this acquisition was made, there has been significant effort on improving the depth of management and the quality of the product offered. The reputation of the hotel has steadily improved and increased efforts in marketing have ensured that those improvements are being enjoyed by a growing number of visitors. As the operating income of the property has improved

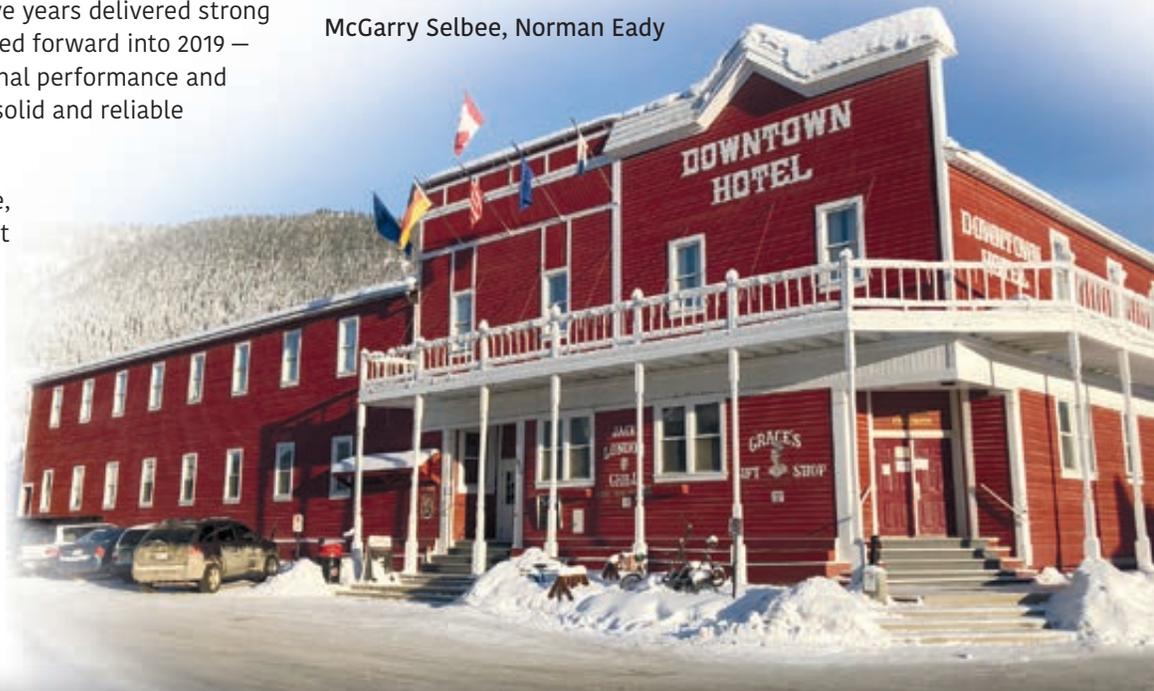
so to has its asset value, and the Downtown Hotel has become a very successful investment for the Trust.

In 2018 this entity increased its presence in Dawson through the purchase of a staff housing building.

Tr'ochëk Limited Partnership, wholly owned by the Trust, owns 50% and Northern Vision Development Limited Partnership, which is owned 16.2% by the Trust, owns 50%. As a consequence of its direct and indirect holdings, the Trust is therefore the majority owner of the Downtown Hotel.

## Directors

McGarry Selbee, Norman Eady



## Contact

**Downtown Hotel**  
PO Box 780, Dawson City, YT Y0B 1G0  
Tel: 1-800-661-0514  
Tel: 867-993-5076  
Email: [info@downtownhotel.ca](mailto:info@downtownhotel.ca)

## Citizen Discount Information

*Subject to Change without notice*

There is a First Nation rate, contact the hotel for more information.

*Discount*





# Yukon Inn

Established: 1970's Date Acquired: 1996 Transferred to THT: 2015

Percentage of ownership by Tr'ondëk Hwëch'in Trust **33.33%**



The Yukon Inn and Yukon Inn Plaza have enjoyed another busy and successful year in 2018. Our guest rooms, restaurant, lounge, bar, and meeting rooms have continued the trend of being steadily busier each year.

With high occupancies and a busy food and beverage department, the interior has had the increased wear and tear of usage, and so the interior of the hotel was again the focus of our renovations this past year. The updating of the guest rooms continued, with new flooring, paint, curtains and furniture. This interior updating will continue during 2019.

The newly paved parking lot, completed in summer 2017, has been a much appreciated capital improvement.

In the year ahead, a section of the hotel roofing will be replaced, which is another major capital activity, although not visible to our guests.

Taking care of our customers is always our number one priority. The many long term staff, as well as new employees, look forward to seeing their guests in the year ahead at their "home away from home".

The Yukon Inn is equally owned by the Tr'ondëk Hwëch'in Trust, Champagne Aishihik First Nation and Little Salmon Carmacks First Nation.

## Directors

Ernie Bourassa (President), Jenny Whitehouse



## Contact

**Yukon Inn**  
4220 - 4th Avenue  
Whitehorse, YT Y1A 1K1  
Tel: 1-800-661-0454  
Tel: 867-993-6552  
Email: reservations@yukoninn.com

## Citizen Discount Information

*Subject to Change without notice*

There is a First Nation rate. Please contact the hotel for more information. When signed up for the Yukon Inn loyalty program, points are earned each stay for additional benefits, including free nights.



# *Audited Financial Statements*

If you are a Tr'ondëk Hwëch'in citizen and would like a copy of the audited financial statements, please contact the Tr'ondëk Hwëch'in Trust at [info@thtrust.com](mailto:info@thtrust.com).



2009.44.4, Pat Simcox donation,  
TH Collection

# Employment Opportunities

For employment opportunities, please contact the following:

## Northern Vision Development Corp

**Alexis Brandt,**  
Director of Human Resources

Tel: 403-910-3813, ext. 1109  
Email: [abrandt@nvdip.com](mailto:abrandt@nvdip.com)

## Downtown Hotel

**Stephen Lancaster**

Tel: 867-993-5346  
Email: [gm@downtownhotel.ca](mailto:gm@downtownhotel.ca)

## Kilrich Industries Limited

**Lisa Martin**

Tel: 867-668-5958  
Email: [lisa@kilrich.ca](mailto:lisa@kilrich.ca)

## Yukon Inn

**Joe Beckett**

Tel: 867-667-2527  
Email: [joe@yukoninn.com](mailto:joe@yukoninn.com)

## Chief Isaac Group of Companies

**Deb Jutra**

Tel: 867-667-7917  
Email: [jobs@chiefissac.ca](mailto:jobs@chiefissac.ca)





Tr'ondëk Hwëch'in  
TRUST

P.O. Box 929  
Dawson City, YT Y0B 1G0  
Canada

[info@thtrust.com](mailto:info@thtrust.com)

[thtrust.com](http://thtrust.com)