

MAA-NULTH FIRST NATIONS SIDE AGREEMENT SUMMARY

MAA-NULTH FIRST NATIONS: DISCONTINUANCE LETTER

Purpose

The letter (the “Discontinuance Letter”) signed by HUU-ay-aht, Ka:’yu:’k’t’h’ /Che:k’tles7eth’ and Ucluelet First Nations who are Plaintiffs (the “Plaintiff First Nations”) in the matter of *Ahousaht et al* (the “NTC Litigation”) confirm that they will file an application for leave to discontinue the NTC Litigation within 10 days of signing the Maa-nulth First Nations Final Agreement.

The parties to the Discontinuance Letter are HUU-ay-aht, Ka:’yu:’k’t’h’/Che:k’tles7eth’ and Ucluelet First Nations, Canada and British Columbia.

How the Agreement Works

The Discontinuance Letter sets out that the Plaintiff First Nations will withdraw as Parties from the NTC Litigation within 10 days of signing the Final Agreement. It should be noted that the Parties initialed the Final Agreement in December 2006. It is expected that the signing of the Final Agreement will take place approximately one year after ratification of the Final Agreement by Maa-nulth First Nations.

The Discontinuance Letter sets out that the Plaintiff First Nations will instruct their lawyers in the NTC Litigation to negotiate a Discontinuance Agreement with Canada and British Columbia before the vote by Maa-nulth First Nations to ratify the Final Agreement. This Discontinuance Agreement will set out the process for withdrawal from the NTC Litigation and any other matters that may be applicable regarding withdrawal.

Each Party is responsible for their own costs in negotiations of the Discontinuance Agreement.

The Discontinuance Letter became effective on the date of Initialing of the Final Agreement: December 9, 2006.

The Discontinuance Letter expires 10 days after the signing of the Maa-nulth First Nations Final Agreement.

What Comes Next

The Plaintiff First Nations must provide instructions to their lawyers in the NTC Litigation to negotiate a Discontinuance Agreement with Canada and British Columbia before the Maa-nulth First Nations ratification vote. It is expected that the vote will be held in October 2007.