



ANNUAL REPORT 2020/21
BLOOD TRIBE AGRI-BUSINESS TRUST

JANUARY 2022

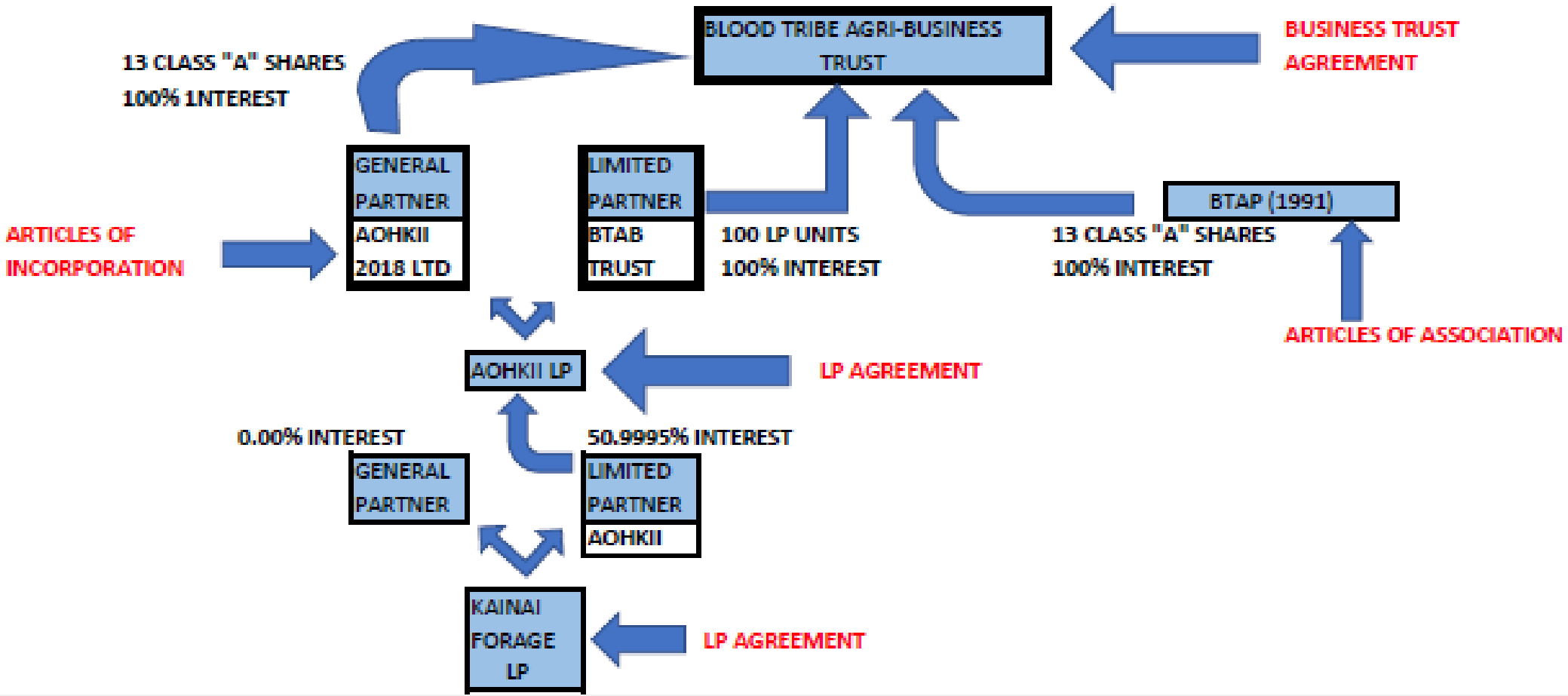


BLOOD
TRIBE
AGRI-
BUSINESS
TRUST

- On April 1, 2019, the shares of Blood Tribe Agricultural Project (1991) and the shares/units of the Aohkii Limited Partnership were settled into the Agri-Business Trust.
- The settled property is held in custody of the Trustees in accordance with the Business Trust Agreement.
- The Beneficiary of the Trust is the present and future members of the Blood Tribe as represented by the Chief and Council.

BLOOD TRIBE AGRICULTURAL PROJECT

FIGURE 1





BTAP
ACTIVITIES
2020/21

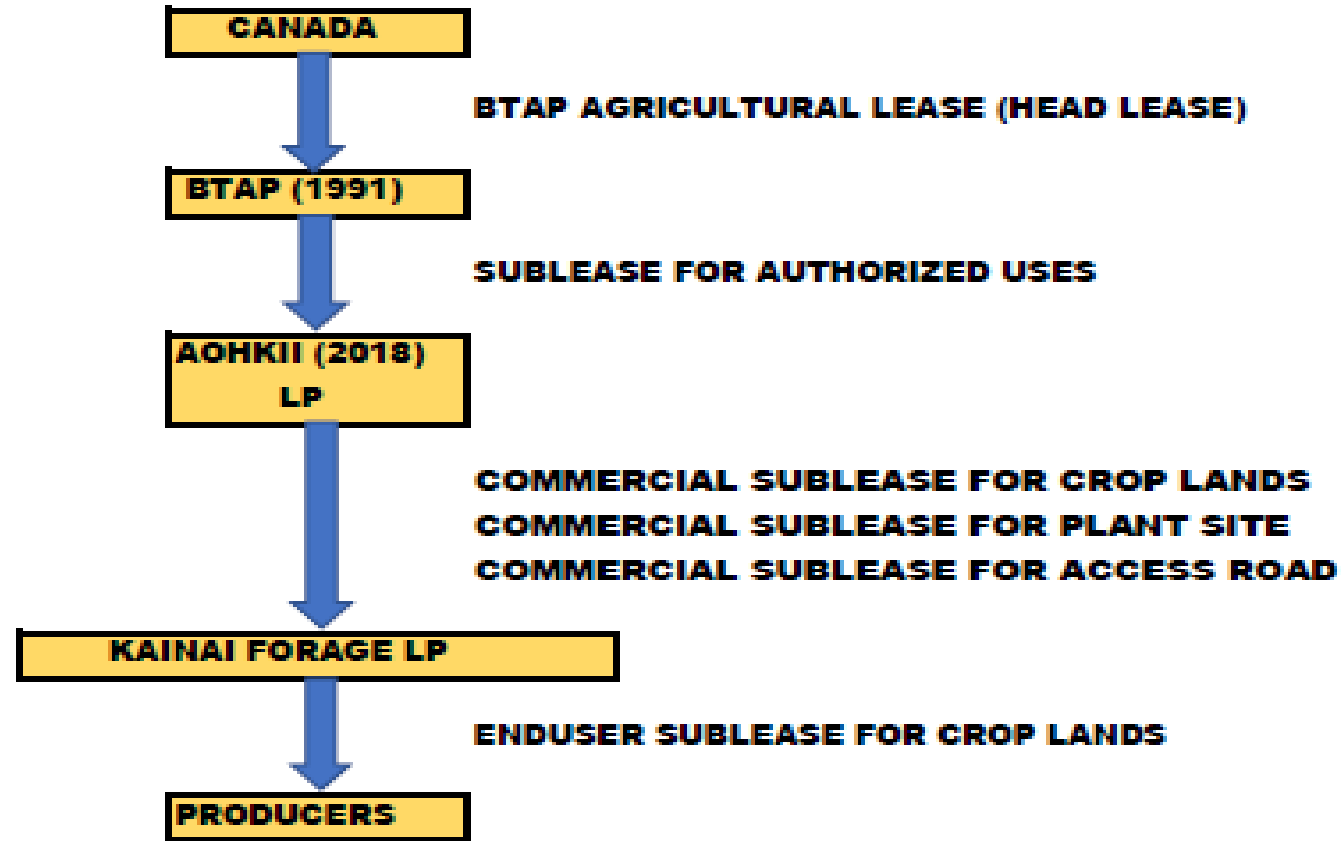
- BTAP (1991) holds the Headlease for the BTAP lands.
 - As at April 1, 2020 the following additional lands were included in the Headlease;
 - Westend Big Lease 6,666.5 acres dryland.
 - 4,062.3 acres at Mataki Farms – 2,320 irrigated and 1,742.2 dryland.
- Total HL – Irrigated – 23,646 acres
Dryland/other – 14,821 acres
- Total Headlease rent paid to the Tribe in 2020/21 = \$2,188,516



AOHKII
LIMITED
PARTNERSHIP
ACTIVITIES
2020/21

- BTAP sublease lands to AOHKII (Property Mgr).
- AOHKII further sublets all of the production acres to Kainai Forage LP. It sublets to KFLP those lands necessary for the operation of a forage production/storage facility and access thereto.
- Rehabilitation investments;
 - Canal – 4 Drop structure repairs, vegetation control program, slope failure repair, boundary fence completed.
 - Roads and Drainage – Site 10, North haul Road, Lateral C&D service roads. Lateral CDEF drainage.
 - Lateral C,D and Mataki (2020) E & F Pivots refurbishment in 2021 (all 6 phases complete total cost - \$3.2 mill.)

BTAP LEASE CHAIN





SOUTHWEST EXPANSION PROJECT

- Additional 3,100 acres of irrigation (2021 growing season)
- 21 Zimmatic Centre Pivots
- Cost \$6.9 million
- Funding:

- Equity	\$1,800,000
- Term Loan	\$2,500,000
- ISC Contribution	\$ 2,600,000



EXPANSION

AOHKII FINANCES 2020/21

BALANCE SHEET

	March 31/20	March 31/21	Change
Working Capital	\$2,683,296	\$4,625,108	\$1,941,812
Other Assets	\$7,146,124	\$12,885,827	\$5,739,703
Long Term Debt	<u>(\$628,818)</u>	<u>(\$2,200,000)</u>	<u>(\$1,571,182)</u>
Equity	\$9,200,602	\$15,310,935	\$6,110,333

AOHKII FINANCES 2020/21

INCOME STATEMENT

	2019/20	2020/21
Revenue	\$7,268,084	\$7,231,888
Expenses	<u>\$4,968,449</u>	<u>\$4,869,996</u>
Net Income from Operations	\$2,296,635	\$2,361,892



BENEFITS TO
TRIBE
(BENEFICIARY)

- Trust is stable, profitable and expanding.
- Rent to Tribe has increased from \$717,000 (2017/18) to \$2,188,516 in 20/21 and will further increase to \$2,192,619 in 22/23.
- Debt owed to Tribe has been fully repaid in 20/21.
- Trust paid dividend of \$250,000 to Tribe in 2020, \$385,308 in 2021, cumulative total now \$1,140,308.
- 20 Tribal members employed.



ACTION
PLAN 2022
- 2027

- Increase efficiencies and manage expenses. Target – Operating expenses (23,646 acres) at \$83/acre.
- Maintain cash management system and 10 year projections.
- CAPEX – Two components
 - a) \$3,750,000 for CAPEX over 5 yrs, predicated on meeting financial targets.
 - b) Aohkii Reserve Fund Trust – Set aside monies to replace pivots after 2035, \$2 mill initial deposit and \$1 mill each year thereafter. Placed in Trust with BMO, predicated on meeting financial targets.



ACTION
PLAN
(CONT'D)

- Water Allocation – Ongoing discussions with GoA to access 25-30,000 acre ft of water.
- Thebaine Poppies – In partnership with API Labs and Indigena.
 - Exemption Sec. 56 submitted to Health Canada.
- Current unimproved market rent for unimproved land – SW Expansion, Mataka and BTAP. – Rent review every 5 yrs (2024).