

## Indigenous Energy Across Canada

### EAST TANK FARM EQUITY ARRANGEMENT

Submitted by **Suncor**

*In the fall of 2017 Suncor, Fort McKay First Nation (FMFN) and Mikisew Cree First Nation (MCFN) announced the completion of the acquisition by FMFN and MCFN of a 49 per cent interest in the East Tank Farm Development (ETFD) valued at approximately \$500 million. The two First Nations independently financed the acquisition, with the offering structured and marketed by RBC Capital Markets.*

*The agreement is unprecedented in size and scale for the First Nations and Suncor and is part of a growing trend of Indigenous communities as equity owners. The investment will provide a steady stream of revenue to both FMFN and MCFN for a minimum period of 25 years. Located 35 kilometres north of Fort McMurray, the ETFD provides storage, cooling and blending services for bitumen received from Fort Hills.*

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At a signing ceremony on Nov. 22, 2017, Suncor, Fort McKay First Nation (FMFN) and Mikisew Cree First Nation (MCFN) announced the completion of the acquisition by FMFN and MCFN of a 49 per cent interest in Suncor's East Tank Farm Development (ETFD).

The two First Nations independently financed the acquisition, with the offering structured and marketed by RBC Capital Markets. The agreement is unprecedented in size and scale for the First Nations and Suncor and is part of a growing trend of Indigenous communities as equity owners.

"We've completed a historic deal for energy development in Canada. This unique partnership has been part of a journey that

demonstrates how innovative thinking and collaborative spirit can result in a mutually-beneficial opportunity and it has changed the way Suncor thinks about how our Aboriginal neighbours may participate in energy development," said Mark Little, president, Upstream, at the time of the signing and now Suncor's president and CEO. "Through this partnership we've learned a lot about working together to create something significant, and I look forward to continuing to work together on this joint investment with Fort McKay First Nation and Mikisew Cree First Nation for many years to come."

The agreement is held in a limited partnership with Suncor called Thebacha,

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the Dene word for “river.” The investment will provide a steady stream of revenue to both FMFN and MCFN for a minimum period of 25 years.

“The economic benefits generated from this deal will help our Nation to build capacity within our businesses, develop infrastructure in our community, fund social economic programs, and provide us with the means to help pay for education and training for our youth, and will be felt in our community for generations to come,” says MCFN Chief Archie Waquan.

Located 35 kilometres north of Fort McMurray, the ETFD is part of the existing East Tank Farm and adjoins the Hot Bitumen Terminal (HBT) and its associated tanks. Once Fort Hills begins to produce bitumen, the ETFD will receive the Fort Hills hot bitumen via the Northern Courier Pipeline.

“The deal represents one of the largest business investment to date by First Nation entities in Canada, and not only demonstrates the great potential for partnerships between First Nations and industry but serves as a model for how First Nations can achieve greater self-determination through financial independence,” said, FMFN Chief Jim Boucher, Chief at the time of the signing. “It is an example of how First Nations and natural resource development companies can find ways to support each other for the mutual long-term benefits.”

