



ANNUAL REPORT 2023
**OZÎJA THIHA
LEGACY TRUST**





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**On behalf of the
Board of Trustees,
I am very pleased to
provide the 2023 Annual
Report to the Bearspaw First
Nation membership in respect
to the Ozija Thiha Legacy Trust
("OTLT").**

The establishment of the Ozija Thiha Legacy Trust marks a new, courageous beginning for the Nation. The objectives of the Trust are to save for the future, to help strengthen the Bearspaw Nation's economy and to improve the quality of life of all Bearspaw Nation members present and future.

Through the persistence and hard work of the leadership of the Bearspaw First Nation and with the wisdom and guidance of the Elders

over a long period of time, 2021 saw the Nation finally gain control of its per capita share of Capital Moneys which had been previously administered by the Government of Canada for over 125 years.

Bearspaw Capital Moneys were transferred from Canada to the OTLT in August 2021. Following receipt of the funds, the Board of Trustees commenced important duties such as establishment and implementation of the operational functions of the Trust Fund. These included adopting investment and administration policies and hiring institutional investment managers, custodian, accountants, auditors and an administrator. All this was carried out in accordance with the OTLT Trust Deed created by the Bearspaw First Nation.

The OTLT began operations during a very difficult period of time. In 2022 financial markets throughout the world struggled and all major indices closed the year in negative territory. However, in 2023 financial markets and the OTLT portfolio

rebounded to positive returns and closed out the year on a high note.

Bearspaw First Nation and its members can take great pride in what they have accomplished. As a sovereign independent First Nation it has set a solid foundation for financial stability and prosperity.

It is the hope of the Board of Trustees that this Annual Report and the ones that follow will provide members of the Bearspaw First Nation with detailed information about the OTLT's operations and performance in the preceding year. The reports will also provide an overview of the activities and decisions of the Trustees and financial details together with independently audited financial statements.

During its time as trustee and fiduciary for Stoney-Nakoda (Bearpaw) Capital Moneys, the Government of Canada, through Indigenous Services Canada never once produced an annual report or provided audited financial statements

to the Bearspaw First Nation or its members in relation to the trust moneys it managed on their behalf.

The Board of Trustees believes in full responsibility, transparency and accountability to the Nation and its members when reporting on the management of the OTLT.

The investment policies and strategies adopted by the Trustees should provide positive investment returns over the long term that will allow the Trust to fulfill its responsibilities to the Nation.

I wish to express my gratitude to my other fellow Trustees, Michele Horne and William (Bill) MacLachlan and to Chief Darcy Dixon and the Council of Bearspaw First Nation for their continued support of the Ozija Thiha Legacy Trust and to the professional teams working on your behalf.



Julian Leong, Chair

MESSAGE FROM CHAIR

The establishment of the Ozija Thiha Legacy Trust and transfer of the Bearspaw First Nation's per capita share of its Capital Moneys (held in Ottawa) pursuant to a Ministerial Order, represents a culmination of all the efforts made over decades by the Bearspaw First Nation and its members for control over its own moneys, a right taken for granted by most Canadians.

The transfer of Capital Moneys is an important exercise of Bearspaw's Treaty, aboriginal and inherent rights as a sovereign, independent Treaty Nation under Treaty no. 7 of 1877.

For nearly five decades the Stoney-Nakoda Nations have been negotiating with Canada for the transfer of their Capital Moneys out of the complete control of Canada into an independent trust fund for the benefit of present and future generations.

Stoney-Nakoda Capital Moneys are considered by Canada to be "Indian Moneys" under the *Indian Act*. The Bearspaw First Nation believes the *Indian Act* contravenes the right of self-government of First Nations as an inherent right and as a Treaty and Aboriginal right. This includes the right to hold and manage its own moneys.

Indian Moneys are not segregated by the government from all other moneys belonging to Canada. Stoney-Nakoda Capital Moneys have been "borrowed" by Canada and used for its own government operations. Stoney-Nakoda Moneys have over the years represented up to 20% of all "Indian Moneys" of the First Nations in Canada. Under the *Indian Act*, Canada unilaterally fixed the method used to calculate interest on Indian Moneys which does not take into consideration the balance of the account.

In summary, the Government of Canada as trustee, has for many decades borrowed all of Stoney Nakoda's Capital Moneys without the permission or consent of the Stoney-Nakoda and has paid a short term, inferior, rate of interest based on an Order-In-Council on what are essentially long-term capital heritage

moneys belonging to the present and future members of the Bearspaw and other Stoney-Nakoda Nations.

During 2021, detailed information through newsletters, Facebook, website, flyers and other documentation was widely provided to all the members of the Bearspaw First Nation. Communications were made and meetings were held. Bearspaw members indicated their strong approval of the transfer of the Bearspaw's per capital share of Stoney Capital Moneys to the Ozija Thiha Legacy Trust for the benefit of present and future generations of Bearspaw members.

After over twenty-five years of discussions and delays, as well as tremendous determination shown by Bearspaw Chief and Council, Bearspaw's per capita share of Stoney-Nakoda Capital Moneys in the approximate amount of \$55 million was transferred to the Ozija Thiha Legacy Trust on August 13, 2021.

Soon thereafter the Bearspaw Chief and Council directed the transfer of the funds from the Ghost Lake and United Church Settlement Trusts (\$5 million) for consolidation in the Ozija Thiha Legacy Trust for

more favourable returns.

The Trustees are required to invest the OTLT Moneys in accordance with a Trust Deed so that:

- a) The original value of the Trust will be protected from inflation and will grow to meet the needs of the Bearspaw Nation;
- b) The yearly revenue provided to Bearspaw First Nation will rise over time as the value of the Trust grows.

HISTORY AND TRANSFER

BOARD OF TRUSTEES

The Ozija Thiha Legacy Trust is managed by a board of highly knowledgeable Trustees who are experts that have many years of experience in governance, finance and managing large amounts of money. All Trustees are independent.



(left to right) William (Bill) MacLachlan, Julian Leong, Michele Horne, (sitting) Chief Darcy Dixon

One of the conditions of the Ministerial Order of August 13, 2021 in relation to the transfer of Capital Moneys to the OTLT, stipulated that Bearspaw First Nation establish an “independent” trust with an external Board of Trustees.

The Trustees administer the OTLT in the best interests of the Bearspaw First Nation with care, skill and caution. The Trustees must act honestly and in good faith with a view to the best interests of the Trust keeping in mind the beneficiaries of the Trust are both present and future generations of the Bearspaw First Nation.

The Trustees’ overall management and administrative functions are defined by the OTLT Trust Deed and include

guidance on the overall portfolio asset mix, investment objectives, and performance measurement standards to be used against long-term objectives and the hiring and dismissal of professional investment managers and other service providers for the Trust Fund.

The Board is made up of highly skilled and experienced professionals with vast expertise in institutional investing, portfolio construction, asset allocation, accounting and finance.

In accordance with the OTLT Trust Deed, the Chair of the Trust invites the Chief of the Bearspaw Nation (and two (2) individuals selected by the Chief) to attend the quarterly meetings of the Board of Trustees. The Chief, Councillors, Bearspaw CEO and CFO have attended meetings of the Board of Trustees.

THE TRUST'S YEAR AND HISTORY IN REVIEW

The Ozija Thiha Legacy Trust began operations in August 2021. The Trust Fund is an independent perpetual fund established for the benefit of the present and future generations of Bearspaw First Nation members. OTLT marks a new chapter for the Bearspaw First Nation with the transfer of its Capital Moneys (present and future) formerly controlled by the Government of Canada under the *Indian Act*.

The Board of Trustees was formally appointed by Bearspaw First Nation Chief and Council February 16, 2021 after receiving a Ministerial Order from the Government of Canada for the transfer of Capital Trust Moneys.

On August 13, 2021 the per capital share of Stoney Capital Moneys administered by the Government of Canada in the approximate amount of \$55 million was transferred to the custodian of the OTLT Trust Fund: CIBC Mellon. All future Capital Moneys (monthly royalties) held by Canada for Bearspaw are transferred to OTLT.

The Board of Trustees appointed a Chair, Julian Leong and formed two Committees – Investment Committee (Chair – Michele Horne) and Audit Committee (Chair – William MacLachlan).

The Board of Trustees held their first in person meeting on December 15, 2021 and made decisions in relation to the operation of the Trust and engagement of professional service providers.

Board of Trustees drafted and adopted a Statement of Investment Policies and Procedures (“SIP&P”) as required under the Trust Deed to provide strict rules and guidelines for all trust fund investments. Specific amendments were made to reflect changes to the OTLT investment portfolio in 2023.

With the administrative framework of the Trust Fund in place, the trust moneys were invested in the financial markets on November 22, 2021.

After considerable work and review by the Investment Committee, two Investment Managers William Blair Investment Management and Mawer Investment Management were engaged by the Board of Trustees for a Global Equity mandate.

For greater diversification of the OTLT portfolio, an allocation in a Real Estate Investment Fund was made through Fiera Capital in 2022 and an allocation in an Infrastructure Fund with IFM Infrastructure Partners in 2023.

The Board of Trustees held quarterly meeting(s) in December 2021 and March, May, August and November both in 2022 and 2023 and held other meetings by conference call when necessary, during the years.

Engagement of accounting firm BDO Canada in 2021 and replaced by E&Y LLP as independent external auditor for the Trust Fund for the fiscal year 2023.

In 2023, at the request of the Nation, the Board of Trustees through an agreement made an advance of \$1.5 million (CAD) repayable on a quarterly basis.

The OTLT paid out a Distribution to the Bearspaw First Nation in 2022 and 2023 in the amount of \$3,696,000 each year based on a formula in the Trust Deed.

2023 turned out to be much better year for investors than 2022. Since the OTLT has been established for present and future members of the Bears paw First Nation, it has a very long investment horizon. This means the Trust can withstand negative returns in the short term, however they will be overcome over the long term by the positive returns of other years.

Funds which were to be allocated to Global Equities by the Board of Trustees were invested by the selected investment managers in mid November 2021. Due to the waiting times imposed by the managers to accept funds, the Real Estate and Infrastructure allocations were invested in December 2022 and January 2023 respectively. The OTLT Trust is now fully invested.

For the short period during 2021 when funds were invested, the Trust Fund attained an investment return of +0.8%. For 2022, the Trust Fund generated a rate of return of -11.8% as all major global equity markets suffered losses. The MSCI World Index had a return of -12.2% in Canadian dollars. The MSCI World is a widely followed global stock market index that tracks the performance of large and mid-cap companies across 23 developed countries. The US stock market's performance measured by the S&P 500 Index had a similar poor year, -12.2% (\$CAD) and -18.1% in (\$USD). Even bonds had a very disappointing 2022 year as the FTSE Canda Universe Index suffered with a -11.7% return.

2023 has been a much better year. The MSCI World Index produced a +20.5% return in (\$CAD). Real estate had a difficult year which was caused by rising interest rates and high office vacancy rates but should perform better when interest rates start dropping. Infrastructure continued to have a good year with the rate of return for IFM Infrastructure of 8.4%.

The OTLT rate of return for 2023 was +14.7%.

FINANCIAL REVIEW 2023



INVESTMENTS

CUSTODIAN

Investment management firms appointed by the Trustees are given the authority to determine the selection of investments in which the OTLT invests in accordance with the SIP&P.

The SIP&P sets out a mandate for each manager and sets strict limits on the nature of the investments each manager is permitted to acquire – each manager is required to certify every 3 months that it is in compliance with the SIP&P.

To provide additional security, the investment managers do not physically hold the Trust's assets within their accounts. To provide segregation and safe-keeping, the OTLT retained CIBC Mellon (an asset custodian firm that currently has over \$45.7 trillion in total assets under administration) as custodian. The investment management firms appointed by the Trustees make the investment decisions and the custodian implements the investment transactions and holds the securities (stocks, certificates and cash) of the OTLT.

ADMINISTRATION

The Board of Trustees has established an effective low-cost management model to deal with the day-to-day operations of the Trust. A chartered public accountant is engaged to produce quarterly financial statements and a management consulting firm has been retained to assist in all administrative matters.

The Chair and other Trustees participate in various management and operations issues on an ongoing basis and only the Trustees have signing authority. As a further assurance that the financial statements accurately reflect the Trust's financial status, the Trustees have engaged an external auditor to perform an audit of the Trust's financial statements at the end of each financial year which are made available to the Bears paw membership.



ANNUAL DISTRIBUTION TO THE BEARSPAW FIRST NATION



The Annual Distribution paid quarterly from the OTLT replaces the semi-annual interest payments that the Nation received from Indigenous Services Canada. The Annual Distribution is currently \$3.7 million is set in accordance with the OTLT Trust Deed. It is not a subjective amount determined by the Board of Trustees, but rather, a formula set out in the Trust Deed.

Did you know that trees talk? Well, they do. They talk to each other, and they'll talk to you if you listen... I have learned a lot from trees; sometimes about the weather, sometimes about the animals, sometimes about the Great Spirit.

Chief Walking Buffalo/Tatânga Mâni
Nakoda Sioux - Bears paw

OZÎJA THIHA LEGACY TRUST

HIGHLIGHTS 2023

\$58.7 (million)

Fair Value of Net Assets

+14.7%

Rate of Return 2023

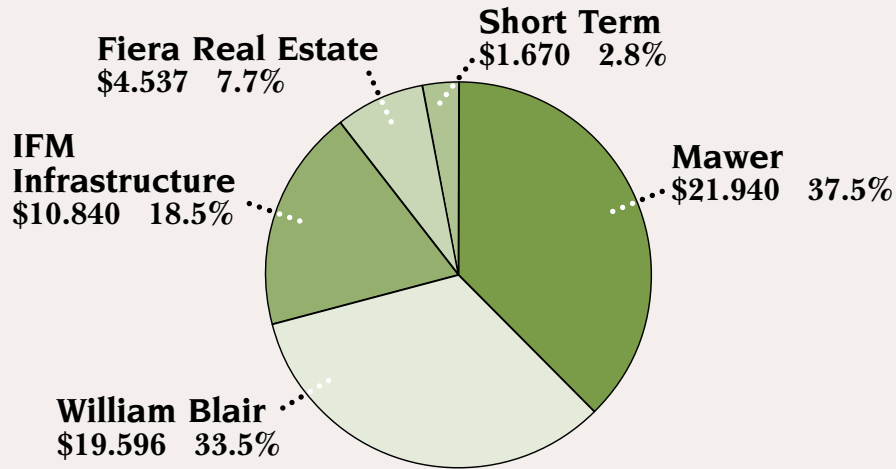
\$3.7 (million)

Annual Distribution to Bears paw First Nation

DIVERSIFICATION OF ASSETS*

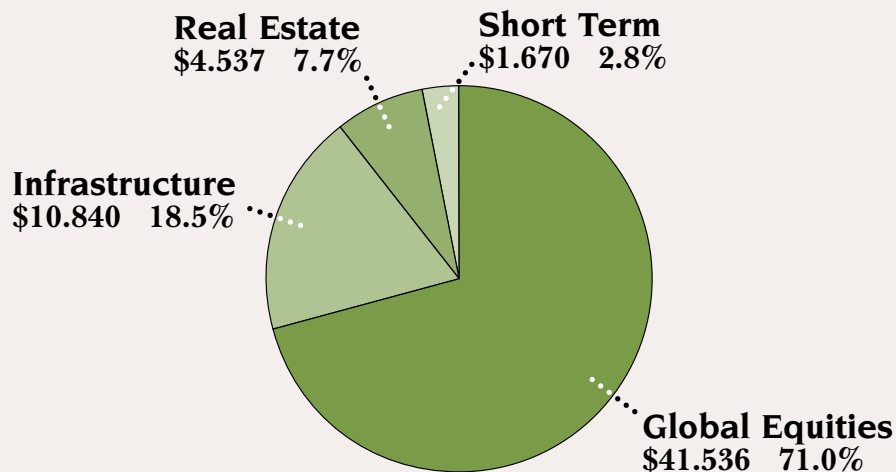
Allocation by Investment Managers (\$M)

Total \$58.583 million



Allocation by Asset Class (\$M)

Total \$58.583 million



OZÎJA THIHA LEGACY TRUST

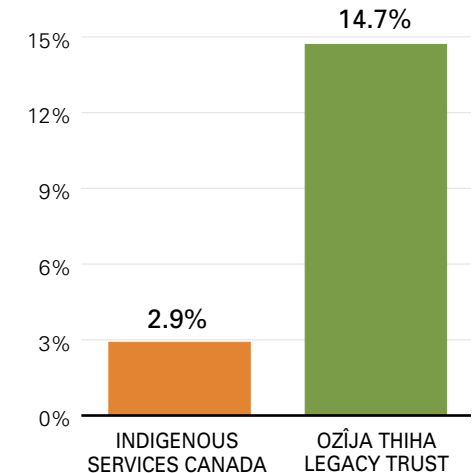


**For future generations
and the financial
security of the
Bears paw First Nation
and its membership**

The transfer of Capital Moneys is an important exercise of Bears paw's Treaty, aboriginal and inherent rights as an independent and self-determining Nation under Treaty no. 7.

Bears paw First Nation will have the opportunity to obtain a higher rate of return compared to the extremely low, inferior rate of return paid for many decades on Stoney/Bears paw Capital Moneys by Indigenous and Northern Affairs Canada.

Rate of Return 2023



Cumulative Distribution to Bears paw:

2021 \$1,315,696 2022 \$3,696,000 2023 \$3,696,000

\$8.7 (million)

* Numbers vary by an immaterial amount from those in the audited financial statements due to the application of accrual accounting in financial statements and other factors.

OZÎJA THIHA LEGACY TRUST FINANCIAL STATEMENTS

DECEMBER 31, 2023

Independent Auditor's Report

To the Board of Trustees of
Ozija Thiha Legacy Trust

Opinion

We have audited the financial statements of Ozija Thiha Legacy Trust (the "Trust"), which comprise the balance sheet as at December 31, 2023, and the statement of income (loss), statement of changes in trust capital and statement of 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 Trust as at December 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

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 Trust 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 accounting standards for private enterprises, 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 Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trust's financial reporting process.

Other information

Management is responsible for the other information, which comprises the information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the report prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Continued on next page...

OZĪJA THIHA LEGACY TRUST

FINANCIAL STATEMENTS

- 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 Trusts internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - 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 Trust'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 Trust 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.

Ernst & Young LLP
Chartered Professional Accountants

Edmonton, Canada
March 27, 2024

BALANCE SHEET

Year ended December 31

	2023 \$	2022 \$
Assets		
Current		
Cash and cash equivalents	247,800	10,557,992
Royalties receivable	166,438	249,614
Accrued investment income	17,860	55,113
Total current assets	432,098	10,862,719
Advances against future distributions payable to the Beneficiary (note 6)	1,500,000	—
Investments (note 4)	56,817,688	42,530,368
	58,749,786	53,393,087
Liabilities		
Accounts payable and accrued liabilities	98,787	70,975
Total liabilities	98,787	70,975
Trust Capital	58,650,999	53,322,112
	58,749,786	53,393,087

On behalf of the Trustees:

William (Bill) MacLachlan
Trustee

Julian Leong
Trustee

STATEMENT OF INCOME (LOSS)

Year ended December 31

	2023	2022
	\$	\$
Revenue		
Investment income (note 4)	1,008,358	863,447
Realized gain (loss) on investments	(1,845,781)	(1,529,590)
Unrealized gain (loss) on investments	8,510,155	(6,441,003)
	7,672,732	(7,107,146)
Expenses		
Investment management fees	291,238	216,537
Trustee honoraria	138,684	132,306
Administration	136,608	115,622
Professional fees	45,664	73,828
Custodial services	32,494	31,723
Annual report	15,365	—
Trustee expenses	2,392	—
	662,445	570,016
Net income (loss) for the year	7,010,287	(7,677,162)

STATEMENT OF CHANGES IN TRUST CAPITAL

Year ended December 31

	2023	2022
	\$	\$
Trust capital, beginning of year	5 3,322,112	60,303,172
Net income (loss) for the year	7,010,287	(7,677,162)
Distributions (note 6)	(3,696,000)	(3,696,000)
Trust capital and royalties received	2,014,600	4,392,102
Trust capital, end of year	58,650,999	53,322,112

STATEMENT OF CASH FLOWS

Year ended December 31

	2023	2022
	\$	\$
Operating activities		
Net income (loss) for the year	7,010,287	(7,677,162)
Add (deduct) items not involving cash		
Unrealized gain (loss) on investments	(8,510,155)	6,441,003
Realized gain (loss) on investments	1,845,781	1,529,590
Interest paid by reduction of distribution paid to the beneficiary (note 6)	(31,500)	—
	314,413	293,431
Net changes in working capital items		
Royalty receivable	83,176	37,427
Accrued investment income	37,253	(52,340)
Accounts payable and accruals	27,812	(5,448)
Cash provided by operating activities	462,654	273,070
Investing activities		
Advances from beneficiary (note 3)	(1,500,000)	—
Disposal (purchase) of investments, net	(7,622,946)	9,475,375
Cash provided by (used in) investing activities	(9,122,946)	9,475,375
Financing activities		
Trust capital received	2,014,600	4,392,102
Distributions	(3,664,500)	(3,696,000)
Cash provided by (used in) financing activities	(1,649,900)	696,102
Net increase (decrease) in cash during the year	(10,310,192)	10,444,547
Cash and cash equivalents, beginning of year	10,557,992	113,445
Cash and cash equivalents, end of year	247,800	10,557,992

See accompanying notes

OZÎJA THIHA LEGACY TRUST

NOTES FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. Nature of business

Ozîja Thiha Legacy Trust (the “Trust”) was established by the Bears paw First Nation (the “Nation”), by the passage of a Trust Deed on February 16, 2021. The Trust was established to receive and administer the Nation’s Capital funds, present and future, held by the Canadian Government in trust for the Nation, as well as any other funds the Nation chooses to contribute to the Trust.

2. Significant accounting policies

These financial statements were prepared in accordance with Part II of the CPA Canada Handbook – Accounting, “Accounting Standards for Private Enterprises”, which sets out generally accepted accounting principles for nonpublicly accountable enterprises in Canada (“ASPE”) and includes the significant accounting policies described hereafter.

The preparation of financial statements in accordance with ASPE requires the Trustee’s 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 revenue and expenses during the reporting period. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in income in the period in which they become known. The financial statements have, in the Trustee’s opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below.

Cash and cash equivalents

Cash equivalents include highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. An investment normally qualifies as a cash equivalent when it has a short maturity of approximately three months or less from the date of acquisition.

Revenue recognition

Investment income, comprised of distributions on investments, is recognized when the distribution is declared and the right to receive payment is established. Realized gains and losses from the sale of investments arise from differences between net proceeds and cost at the transaction date. Unrealized gains and losses on investments are recognized as income based on their fair value at the year-end date.

Income taxes

The Trust is deemed to be an inter-vivos trust under the provisions of the Income Tax Act (Canada) and is deemed to have allocated its income to the beneficiaries of the Trust. Accordingly, the Trust is not subject to income tax on its net income.

Financial instruments

The Trust initially measures its financial assets and liabilities at fair value.

The Trust subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments and fixed income securities that are quoted in active markets, which are measured at fair value. Changes in fair value are recognized in net income (loss).

- Financial assets measured at amortized cost include cash and cash equivalents, royalties receivable and accrued investment income. The Trust’s financial assets measured at fair value include investments in equity instruments and fixed income securities that are quoted in active markets. The Trust has also elected to measure its investment in real estate and infrastructure funds at fair value.
- Financial liabilities measured at amortized cost consist of accounts payable and accrued liabilities.

The Trust recognizes its transaction costs in net income (loss) in the period incurred for its equity investments and all other financial assets and liabilities subsequently measured at fair value. Financial instruments that are subsequently measured at cost or amortized cost are adjusted by the transaction costs and financing fees that are directly attributable to their origination, issuance or assumption.

Investments

(i) *Reported at fair value*

Investments reported at fair value consist of equity instruments that are quoted in an active market, as well as any investments in debt or equity instruments that the Trust designated to be measured at fair value. Such designation must be made when the investment is initially recognized. In the case of an equity instrument that was previously measured at fair value because it was quoted in an active market, this designation may be made when the instrument ceases to be quoted in an active market. This designation is irrevocable. Changes in fair value are recognized in net income. Transaction costs to acquire or dispose of these instruments are recognized in net income in the period during which they are incurred.

(ii) *Reported at cost or amortized cost*

Investments in equity instruments that are not quoted in an active market, as well as investments in debt instruments, whether or not quoted in an active market, are initially recorded at fair value adjusted by financing fees and transaction costs that are directly attributable to their origination, acquisition, issuance or assumption. Investments in equity instruments are subsequently measured at cost less any reduction for impairment, and investments in debt instruments are subsequently measured at amortized cost.

Revenue recognition

Interest and dividends are recognized as investment income when they are received or become receivable. Investment income, comprising distributions on investments, is recognized when the distribution is declared and the right to receive payment is established. Realized gains and losses from the sale of investments arise from differences between net proceeds and cost at the transaction date. Unrealized gains and losses on investments are recognized as income based on their fair value at the year-end date.

Foreign currency translation

Monetary items are translated at the rates in effect at the balance sheet date. Exchange gains and losses arising on translation of transactions are included in the determination of net income (loss).

Measurement uncertainty

The amounts reported for the fair market value of investments are based on estimates of the value of the investments at the reporting date. The fair values of the real estate and infrastructure funds are based on appraisals and other financial information available from the fund companies at the reporting date.

The amounts reported for the distributions on the statement of changes in trust capital are based on calculations of net income (loss) as defined in the Trust Deed. This calculation requires estimates of taxable income from some of the Trust's investments to be made by management as taxable income information for these investments is not available when the financial statements are prepared. If differences exist between management's estimate and actual taxable income reported by investments, the Trust adjusts the distribution in the subsequent year to account for the difference.

By their nature, these estimates are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates in future periods could be significant.

3. Investments

	2023 \$	2022 \$
Canadian equities	21,975,135	21,226,505
Foreign equities	19,219,086	16,124,744
Infrastructure fund	10,767,367	—
Real estate fund	4,536,683	4,833,235
Foreign currency and contracts	319,417	345,884
	56,817,688	42,530,368

4. Investment income

	2023 \$	2022 \$
Foreign income (net of tax paid)	396,104	805,502
Dividends	272,401	57,945
Other investment income	339,853	—
	1,008,358	863,447

5. Investment management fees

In return for providing custodial and investment management services, the Trust has entered into a custodial services agreement with CIBC Mellon Trust Company along with investment management agreements with William Blair Investment Management LLC, Mawer Investment Management Ltd., Fiera Capital Corporation and IMF Global Infrastructure (Canada) LP for fees for services paid monthly and quarterly.

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OZÎJA THIHA LEGACY TRUST

FINANCIAL STATEMENTS

6. Distributions

Pursuant to the terms of the Trust Deed, the Trust is required to distribute each year an amount equal to the greater of the following:

- (a) Net income (as defined in the Trust Deed),
- (b) 4.5% of the average fair market value of the Trust Fund at the end of the three prior fiscal years; and
- (c) Lesser of \$3,696,000 and 7.5% of the fair market value of the trust funds as measured at the end of the immediately preceding fiscal year.

In accordance with this requirement, the Trust has made total distributions to the Beneficiary of \$3,696,000 (2022 – \$3,969,000) of which \$3,664,500 was paid in cash and \$31,500 was applied to the advances made against future distributions payable to the Beneficiary.

On September 13, 2023 the Trust entered into an agreement with the Beneficiary to provide an advance of \$1,500,000. The advance is to be repaid over 5.5 years by way of reduction of the mandated quarterly distribution payable to the Beneficiary. The advance bears interest at 7.0% per annum.

7. Financial instruments

The Trust is exposed to various financial risks through transactions in financial instruments. The following provides helpful information in assessing the extent of the Trust's exposure to these risks.

Market and currency risk

Investments in securities are subject to market and currency risk. The Trust manages market and currency rate risk by investments in Canadian, US and foreign equities and short-term investments that meet specific investment criteria established by the Trust Agreement and are designed to adequately diversify the Trust's investments to reduce exposure to market and currency risk.

Liquidity risk

Liquidity risk is the risk that the Trust will encounter difficulty in meeting obligations associated with financial liabilities. The Trust is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The Trust ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows and its holdings of cash and cash equivalents.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Trust is exposed to other price risk through its investments in equity instruments quoted in an active market.

DIRECTORY OF PHOTOGRAPHS

Page 2 (left to right):

Gilbert Francis, Jackson Wesley, Cameron Bob Lefthand, Shylena Smalleyes

Page 5 (left to right):

William (Bill) MacLachlan, Julian Leong, Chief Darcy Dixon, Michele Horne

Page 7 (top to bottom):

Travis Jimmy John, Larry Daniels Sr., Montana Lefthand,
Anne Twoyoungmen, Jaliesa Big Crow Lefthand, Anya Dixon

Page 8 (top to bottom):

Dyson Holloway, Royelle Daniels, Sara Lefthand, Vinnie Bearspaw,
Terrance Daniels, Lucas Dixon, Jesse Daniels

IBC (bottom left to right):

Angel Hunter, Dawne Hunter

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and Pierre Lefthand

*A very great vision is needed, and the person who has it must follow it as the eagle
seeks the deepest blue of the sky.*

Crazy Horse/Tasunke Witc6
Lakota Sioux - Oglala



**FOR PRESENT AND FUTURE GENERATIONS
OF BEARSPAW FIRST NATION MEMBERS**