



BRIDG

Business Ready Investment Development Gateway



WESTCAP MGT. LTD.

Saskatchewan's First Nations and Métis Communities

● Need

- Many First Nation and Métis communities suffer from low socio-economic conditions

● Interests

- Improving their socio-economic conditions
- Creating wealth for the benefit of their communities

● Opportunity

- Located in resource-rich areas

It is in everyone's interests to have First Nations and Métis communities fully participate in the economy.

Saskatchewan's Aboriginal Population

- Aboriginal businesses face the same issues as non-Aboriginal businesses:
 - Capacity
 - Access to Capital

First Nations and Métis communities need strong business infrastructure at the community level

Westcap Mgt Ltd

- Private equity fund operating a number of venture capital funds including:
 - Golden Opportunities Fund
 - First Nations and Métis Fund
- Challenges in operating FNMF
 - Decision Making Process
 - Large Deal Size
 - Insufficient Investment Expertise
 - Lack of Business Management Capacity/
Champions



BRIDG

Business Ready Investment Development Gateway

- Community Based 3-year Pilot Project
- 2 sides:
 - Business Readiness
 - Business Opportunities
- FOCUS: Energy and Resources
- Funding and Expertise to Support Business Infrastructure
- GOAL: Completion of Investment Transactions
- Based business readiness activities on best practices

Best Practices of Successful Communities

- **Practical Control** – The most successful communities “just do it”.
- **Effective Institutions**
 - Manage the political-business relationship
 - Govern by rules
- **Cultural Match** – Institutions “fit” the community.
- **Strategy** – A vision for the future that guides decisions
- **Leadership** – Political and management

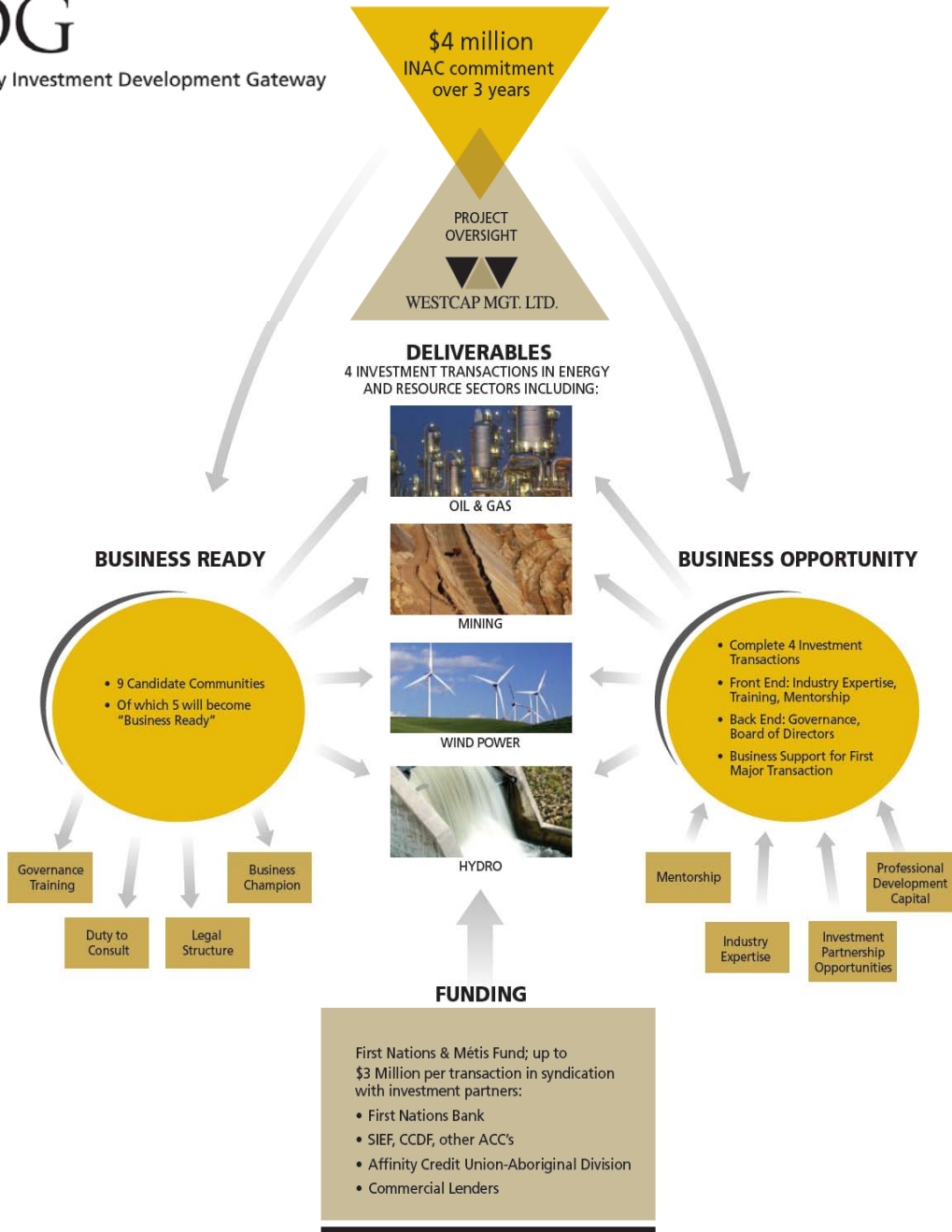
Saskatchewan's Energy Resources

- Oil and Gas
 - Canada's 2nd largest oil producer
 - Canada's 3rd largest natural gas producer
 - 80% of reserves still untapped
 - US buys more oil from Sask. than Kuwait
- Mining
 - World's Leading uranium producer, 33% of world production, 17% of electricity
 - Leading potash producer, 1/3 of world demand
 - Canada's 3rd largest coal producer



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Implementation

1. Communication to Communities
 - Mail out to communities
 - Aboriginal media, radio and print
 - Presentations, event attendance, etc.
2. Application Deadline August 31, 2009
3. Selection of Participating Communities in September
4. Deliver business readiness beginning in October

Selection Criteria/Process

- Criteria
 - Strength and Stability of Community
 - Investment Capacity
 - Investment Opportunity
 - Strength of Development Corporation
 - Commitment/Interest/Fit
- Process
 - Short listing
 - Reference checks
 - Interviews
 - Final selection

Example – Business Ready

9 Communities Accepted into the Program

1. **Business Charter-** Clearly define the roles and responsibilities of the governing body and the business development body.
2. **Legal Entity** – Establish separate legal business entity.
3. **Board of Directors** – Establish a board of directors comprised mainly of business people.
4. **Management** – Obtain professional business management.
5. **Strategic Plan** – Identify first list of projects for the development corporation to consider.

Example – Business Opportunities

4 Investment Transactions Completed

1. Focus: Energy and Resources
2. Approx deal size: \$10 million
3. BRIDG takes the community through
 - Negotiation
 - Term Sheet
 - Due Diligence
 - Closing the Deal
 - Legal Documentation
4. Post-Investment Support for the Business: Independent Board Members, Community Member Training, etc.

Westcap's Interests

- Management of BRIDG
 - Nominal administrative fees in BRIDG
- Investing in Businesses
 - Investing in First Nation and Métis projects through FNMF (Westcap earns money for its shareholders by investing in businesses)

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