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1-867-979-8400 | www.qcorp.ca

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2017/18

CHAIRMAN'S MESSAGE



OLAYUK AKESUK CHAIRMAN

Welcome to the Qikiqtaaluk Corporation Annual Report for 2017/18. Each year as we prepare the Annual Report we take the opportunity to reflect on the year's activities, both the successes and challenges, and to identify areas for Corporate growth. This year we were excited to announce our new wholly-owned subsidiary, Nunavut Nukkiksautiit Corporation, and one new affiliation, Qikiqtani Fisheries Alliance. You will find more details on these companies and the achievements and undertakings of our wholly-owned subsidiaries as you read this Annual Report.

Our Board of Directors saw some change this year with the appointment of two new members in October. Anne Curley from Hall Beach has been reappointed to the Board of Directors and will be serving as Vice Chair. Anne served on the Board in the past and we look forward to having her serve on the Board again. Mathew Alainga from Iqaluit has been appointed as a Director and will be serving as our Secretary Treasurer. While this is his first appointment to the Board he brings experience from his past service with QC. On behalf of the Board I would like to welcome both Anne and Mathew. This is an exciting time at Qikiqtaaluk Corporation and I look forward to serving on the Board with you.

I would like to thank both Moses Appaqaq from Sanikiluaq and Blandina Tulugarjuk from Iqaluit whose terms ended this past year. Moses was a



long-standing Board member and served as Vice Chair consecutively since 2005. Blandina served as the Secretary Treasurer from 2014-2017 and as a Director from 2005-2008. On behalf of everyone at Qikiqtaaluk Corporation I would like to thank Moses and Blandina for their dedication and commitment to the Board and their invaluable contributions to the company.

Three years ago, QC initiated community tours in efforts to serve our communities better and support them to build capacity in business and infrastructure. This community outreach has proven to be instrumental in guiding the Board's decisions on policies, corporate direction and strategic investments. Community outreach continues to inform the development of our new business ventures and partnerships, and new projects and programs in our communities. A major theme we heard from the community tours was project support for infrastructure such as marine facilities and renewable energy, and capacity building support. Over this past year QC and Group of Companies have prioritized these areas and I am personally encouraged by the significant strides that have been made over such a short timeframe.

QC has established an Inshore Fisheries
Development Plan in response to the community
desire to pursue the inshore fisheries and supporting
infrastructure. This plan identifies activities, projects
and infrastructure in support of inshore fisheries
development and we will continue to work with the
communities to implement this plan.

In response to the desire for clean energy projects in the Region, QC established a new whollyowned subsidiary company, Nunavut Nukkiksautiit Corporation (NNC). NNC will be a clean energy developer and will work with the Qikiqtani communities to implement renewable energy projects.

QC has pursued several funding opportunities and programs this past year that support training and career development in our communities. I was pleased to be part of the community outreach in Cape Dorset relating to the metals clean-up project. The project focused on maximizing community participation and training and it was evident during our community meetings that the community was very happy with the project approach and results.



This is an exciting time for Qikiqtaaluk Corporation as we strategically grow and adapt to an evolving North while still staying rooted in our core values. We always look forward to the opportunity to showcase our Group of Companies' progress and activities in the Annual Report and we hope you enjoy reading it as much as we did preparing it.

Olayuk Alesuk QIKIQTAALUK CORPORATION

PRESIDENT'S MESSAGE



HARRY FLAHERTY
PRESIDENT

2017/18 marked Qikiqtaaluk Corporation's 34th year of operation and it has been a year of growth, milestones and accomplishments. It has been an honour to watch QC grow and mature over the past nine years of serving the company as President and it is evident QC is emerging as a distinguished business leader in Nunavut. We have stayed true to our commitment to Inuit training, capacity building and promotion and I am proud that our Inuit employment rate continues to increase year after year.

Over the course of this past year I had the privilege of representing Qikiqtaaluk Corporation at many forums, conferences and political meetings. In March I was invited to participate in an Indigenous Economic Development Roundtable discussion. Preparing for the meeting gave me the opportunity to reflect on how Qikiqtaaluk Corporation has contributed to economic development in Nunavut over the past 34 years and appreciate the strong foundation we have established. This foundation is rooted in the hard work, dedication and strategic foresight of our employees and Board of Directors. We have used this foundation to create new ventures and have been successful in establishing new partnerships, companies and programs.

In my role as president, I continue to promote the capacity, capabilities and experience of QC and Group of Companies and our position as leaders as we advance strong, sustainable and diversified economies. I am encouraged by the current mandates and commitments of the Federal and Territorial governments to prioritize Indigenous relations and partnerships with Inuit Organizations. QC has pursued new approaches to project delivery that focus on a social-return on investment and are developed in collaboration with Indigenous Organizations, Federal and Territorial Governments. This past year, the Qikiqtani Inuit Organizations led by Inuit Heritage Trust collaboratively brought forward a partnership delivery approach for a Nunavut Heritage Centre. The delivery approach naturally aligns with the Government of Canada's and the Inuit Organizations' respective mandates dedicated to improving opportunities for Inuit. \$10M has been committed through the Inuit Organizations, namely NTI and QIA, for this project and QC has positioned a design-build team that prioritizes Nunavut companies and expertise. Significant progress has been made with these collaboration efforts and I am confident our perseverance to promote these efforts will be realized into tangible actions in the near future.

This year saw important advancements for the Inuit Owned Land development area in Igaluit. The lease was signed with QIA and we have made significant progress on the Hotel and Conference Centre planning and design which is anticipated for occupancy in 2019/2020. An office and garage complex is also underway with occupancy anticipated in 2019. These buildings mark the first of many for this land development. Once completed, the development will support an estimated \$300-400 million in infrastructure and over the 10 - 15year development horizon it will serve as a training and career-building program. This year marks an exciting time as we see the vision for the Inuit Owned Land as rationalized during the Nunavut Agreement negotiations 25 years ago take shape.

Recognizing that the political and environmental environments around us are changing, QC has been pursing strategic marine infrastructure to promote Arctic sovereignty, Arctic Security, and countless economic opportunities while simultaneously supporting economic development for the Qikiqtani communities. While attending various meetings over the year, I took the chance to highlight the lost economic opportunities and security implications resulting from the absence of marine infrastructure in Nunavut. To support advancing conversations regarding strategic marine infrastructure we have been working with targeted groups and the Hamlets to promote a deep-sea port in Qikiqtarjuaq and small craft harbours in other communities.

QC once again participated in the Northern Lights Trade Show and Conference held in February in Ottawa. Our meet and greet event at the Northern Lights Showcase was an opportune time to announce QC's newest subsidiary company, Nunavut Nukkiksuatiit Corporation. We created NNC to advance clean energy projects and create employment and financial opportunities for Inuit. Our vision for NNC is to be Nunavut's first Inuitowned clean energy developer and to partner with each Qikiqtani community to advance clean energy projects across the Region. We have continued to pursue government investments in clean energy projects to reduce our reliance on fossil fuels, to improve our energy security, and to foster our selfreliance.



Throughout the year, Qikiqtaaluk Corporation was recognized on numerous occasions for our significant contributions and outstanding leadership to economic development and capacity building in Nunavut. I am proud of what we have achieved and wish to express my sincerest appreciation to all our employees; without your dedication and hard work our success would not be possible. I also wish to thank the Qikiqtani Inuit Association Board of Directors and our own QC Board for your guidance and support.



Throughout 2018, Nunavut will celebrate the 25th Anniversary of the Nunavut Agreement. This momentous document is a constant reminder of the hard work and dedication of our predecessors and I often reflect on this document to guide my decisions. I want to express my optimism that as we look forward to the next 25 years we will continue to grow our economy, provide economic diversification opportunities for our communities, and will continue to provide opportunities to Inuit as a Corporation.

Harry Flaherty

QIKIQTAALUK CORPORATION
PRESIDENT

ABOUT QC AND GROUP OF COMPANIES

Qikiqtaaluk Corporation (QC) is a 100% Inuit-owned birthright development corporation established in 1983 by the Qikiqtani Inuit Association (QIA), its sole shareholder. QC is the for-profit development arm of QIA with the goal of improving the social and economic well-being of Nunavut and the 14,000 Qikiqtani Inuit we represent by investing in and creating strategic business opportunities.

Since our creation, QC has matured into a multidisciplinary company with 31 subsidiaries, joint ventures and affiliations, and strives to be a major contributor to all sectors of the Nunavut economy. QC has 10 subsidiaries which are 100% owned by QC, six majority owned joint ventures (>51%), eight

MISSION

To create meaningful economic, employment and career development opportunities for Inuit.

joint venture partnerships and six affiliated companies. Through these companies, QC has strategically established business in the fisheries and marine service, property management and real estate, construction, fuel storage and distribution, transportation and communications, environmental service, retail and trade service sectors and most recently the clean energy sector.

As the for-profit development arm of the QIA, QC's role is to foster economic development opportunities for Inuit in the Qikiqtani Region and throughout Nunavut. By balancing tradition with innovation and a healthy respect for the land, QC improves the social and economic well-being of Nunavut by investing in and creating sound financial business opportunities. Our mission is derived from the company's aspiration to own and operate businesses that build on the spirit and culture of Nunavut and the Nunavut Agreement.

respect • service • learning • resourcefulness • working collaboratively share goals • strong communication • stewardship







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QIKIQTANI REGION



QC ORGANIZATIONAL CHART

RETAIL, TRADE AND SERVICES	TRANSPORTATION AND COMMUNICAITON	CONSTRUCTION AND MAJOR PROJECTS	FISHERIES AND MARINE							
QIKIQTANI RETAIL SERVICES LIMITED	QIKIQTANI FIRST AVIATION LTD. (QFAL)	3379442 CANADA INC.	QIKIQTAALUK FISHERIES CORPORATION							
QIKIQTANI RESOURCE AGENCY	NUNAVUT PETROLEUM CORPORATION	QIKIQTAALUK PROPERTIES INC.	UNAAQ FISHERIES							
QIKIQTAALUK BUSINESS DEVELOPMENT CORPORATION	UQSUQ CORP.	QIKIQTANI INDUSTRY LTD.	SIKKU CORPORATION							
FROBUILD (2006) LTD.	NUNAVUT SEALINK AND SUPPLY INC. (NSSI)	AKIUQ CORPORATION	TULAKTARVIK INC.							
QC-SCARLET SECURITY SERVICES INC.	QC CANADIAN (HELICOPTERS)	SANAVALLIANIQ LTD.	QIKIQTANI FISHERIES ALLIANCE							
QIKIQTAALUK ENVIRONMENTAL INC.	BAFFIN GAS BAR	NCC INVESTMENT GROUP	NORTHERN SHRIMP RESEARCH FOUNDATION							
TOROMONT ARCTIC INC.		NUNASI CORPORATION	NORTHERN COALITION CORPORATION							
LARGA BAFFIN LTD.		NUNAVUT NUKKIKSAUTIIT CORPORATION	NUNAVUT FISHERIES AND MARINE TRAINING CONSORTIUM							
Subsidiaries: 100% owne	ed by QC		NUNAVUT FISHERIES ASSOCIATION							
Joint Ventures: Majority owned										
Joint Ventures: Partnerships										
Affiliated										

QC BOARD OF DIRECTORS

CHAIR



OLAYUK AKESUK

Cape Dorset

DIRECTORS



ANNE CURLEYVice-Chair, Hall Beach



MATHEW ALAINGASecretary Treasurer, Iqaluit



MIALI-ELISE COLEY Iqaluit



LUDY PUDLUKPond Inlet

OFFICERS



HARRY FLAHERTY
President

PETER KEENAINAK

Vice President

THE BOARD IS SUPPORTED BY TWO APPOINTED PROFESSIONALS

LEGAL



DUBUC OSLAND

Ottawa

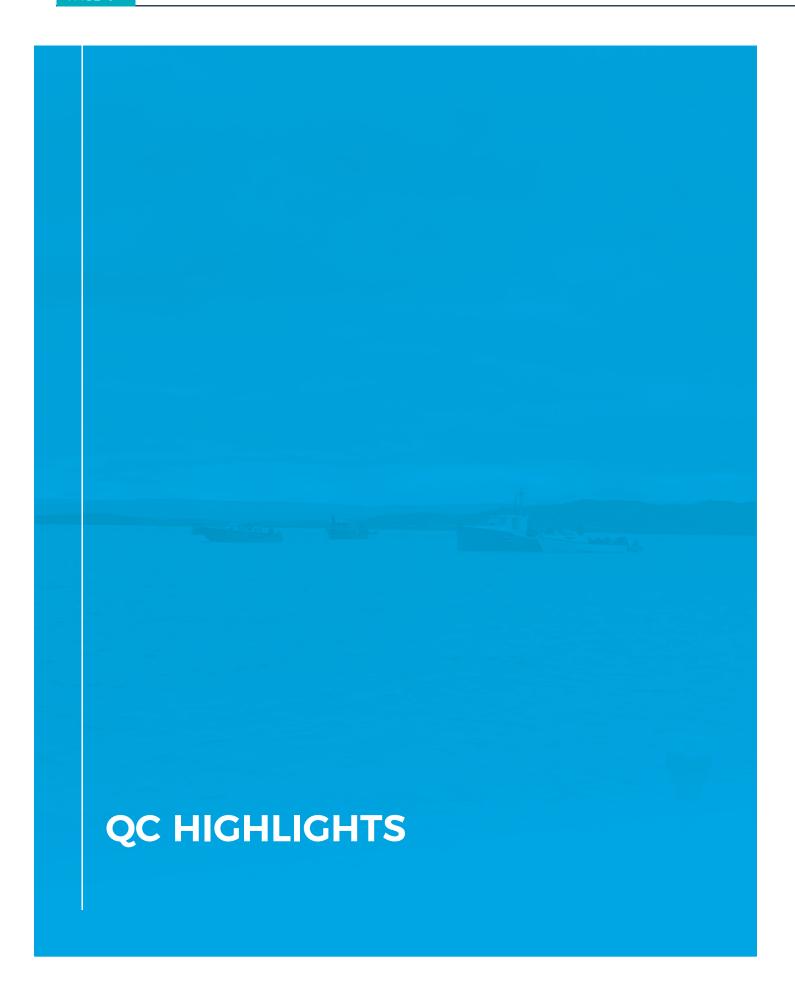
AUDITOR



KPMG Ottawa Board members oversee the ten wholly-owned subsidiaries and through individual appointment serve on other joint venture and partner Boards.

- Qikiqtani Retail Services Limited (QRS)
- Qikiqtaaluk Properties Inc. (QPI)
- Qikiqtani Industry Ltd. (QIL)
- Qikiqtani Resource Agency Limited (QRA)
- Frobuild (2006) Ltd.
- Akiuq Corporation
- Sikku Corporation
- 3379442 Canada Inc.

 Qikiqtaaluk Business Development Corporation (QBDC)
- Nunavut Nukkiksautiit Corporation (NNC)



INUIT EMPLOYMENT INCREASE

Qikiqtaaluk Corporation and Group of Companies prioritize Inuit hiring and are committed to capacity building through training and promotion within the company structure. All QC companies focus on developing Inuit leadership, expertise, experience and capacity. Training programs are incorporated in major projects to increase Inuit capacity and promote Inuit employment in the project.

QC boasts 331 Inuit employees of 406 total employees. Almost all QC companies saw an increase in percent Inuit employment rates since 2016; QPI and QIL have both achieved a commendable 100% Inuit employment rate in 2017.



	2016			2017		
Company	Total	Inuit	% Inuit Employment	Total	Inuit	% Inuit Employment
Qikiqtaaluk Corporation	30	18	60%	32	22	69%
Qikiqtaaluk Properties Inc	21	20	95%	22	22	100%
QRS	82	75	91%	47	44	94%
QIL-Iqaluit and Other	41	37	90%	26	26	100%
QIL-Baffinland	267	209	78%	275	216	79%
QBDC	2	1	50%	4	1	25%
Total	443	360	81%	406	331	82%



Creating opportunities for advancement within the company structure has always been and will continue to be a priority for all QC companies. This is evidenced in the high percentages of earnings paid to Inuit employees. In 2017, QC and Group of Companies paid 68% of total salaries to Inuit employees.

As part of our commitment to capacity building, QC and Group of Companies provides ongoing training and professional development to our employees. This year employees took training in Workplace Hazardous Materials Information Systems (WHMIS), Supervisor Safety Training, Leadership for Safety Excellence, First Aid Training, and professional development training such property management and specific trades. Training was also provided for internal certification of equipment operation such as forklift, loader and excavator operations to QIL employees by QIL staff who are certified trainers in these areas.

LIFETIME ACHIEVEMENT AWARD: HARRY FLAHERT\

Qikiqtaaluk
Corporation's president
and CEO, Harry
Flaherty, was awarded
the Aboriginal Business
Hall of Fame (ABHF)
Lifetime Achievement
Award for 2018. The
Canadian Council for
Aboriginal Business
(CCAB) presented Harry
this prestigious award
on January 31, 2018 at
the CCAB Toronto Gala
Dinner.

"Harry Flaherty
embodies a lifetime
of business and
community excellence.
As a strong business
leader who is known for
his intellectual curiosity
he focuses on creating
opportunity for Inuit
peoples"

-pmnNationTalk



A video highlighting Mr. Flaherty and his achievements is featured on the CCAB website:

https://www.ccab.com/ awards/abhf-lifetimeachievement-awards/



"I am honored to receive the CCAB's **Aboriginal Business Hall of Fame Lifetime Achievement Award and** truly humbled to join the prestigious group of Indigenous leaders who have been past recipients and particularly grateful to my family and numerous colleagues who supported our effort to advance business and career opportunities on behalf of Inuit. I'm reflective of the strength and perseverance I've gained from my parents, who were among the exiles transported to the North in the 1950's in order to position Canada's claim to the Arctic, and to recognize my grandfather Robert Flaherty who produced 'Nanook of the North'."

HARRY FLAHERTY

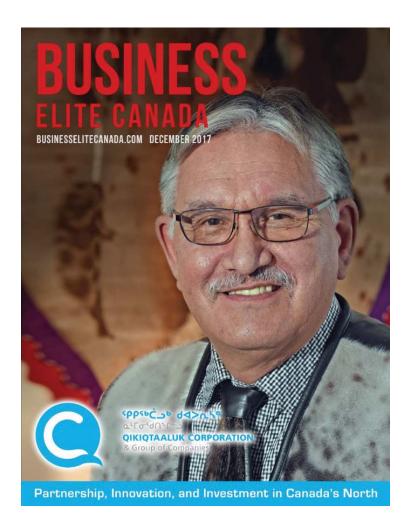
PRESIDENT & CEO OF QIKIQTAALUK CORPORATION & GROUP OF COMPANIES,

The ABHF Lifetime Achievement Award honours Aboriginal business leaders who have built full and rich careers. It pays tribute to outstanding business leaders, past and present, and is a symbol of hope and encouragement for Indigenous business people. The men and women honoured are strong business and community leaders who collectively have built a legacy that serves as an example of excellence and opportunity.

Mr. Flaherty was nominated to receive this award for his commendable history of business leadership and excellence, his contribution to the development of the Qikiqtani communities, his passion for and contributions to the expansion of knowledge and building capacity, and his contribution to the economic well-being of the Qikiqtani Region.

BUSINESS ELITE CANADA COVER STORY

Qikiqtaaluk Corporation was featured on the cover of the December 2017 Business Elite Canada Magazine. The fourteenpage article highlights QC's advancements in partnerships, innovation, and investment in Canada's North. The article tells the story of how QC has grown and developed since its creation in 1983 into "an economic driver in the region, known as an experienced and reliable partner in industrial, institutional, and infrastructure development". The magazine feature highlights QC's excellence in maximizing Inuit employment and community initiatives, boasting QC as having the highest share of Inuit employees of any private Nunavut employer. QC is very honoured to be featured as the cover story of the Business Elite Canada Magazine.



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"[QC is] an economic driver in the region, known as an experienced and reliable partner in industrial, institutional, and infrastructure development"

INUIT OWNED LAND LEASE SIGNING

In November 2017, Qikiqtaaluk Corporation signed a land lease with the Qikiqtani Inuit Association (QIA) for the Inuit Owned Land (IOL) along Federal Road in Iqaluit. QC will develop this parcel of land on behalf of the QIA as the largest private land development initiative in Nunavut. The signing of the lease is a significant milestone towards advancing the economic and cultural potential of this parcel of land.

The lands along Federal Road are highly desirable for development as they are flanked to the east by the City Core and to the west by the new Iqaluit International Airport making it the gateway to Nunavut's Capital City. Located on prime economic land, it is anticipated the IOL will be the site of many important and significant social, economic and cultural infrastructure developments such as residential units, QC's Hotel and Conference Centre and a Nunavut Heritage Centre.

he development will support an estimated \$300-400 million in infrastructure, will create countless business and job opportunities for Inuit and over the 10 to 15-year development horizon it will support many training and career-building programs. QC is also pursuing the development as a clean energy initiative intending to be a catalyst and demonstration for the viability of clean energy technologies and highly energy efficient construction in Canada's North.





"This Inuit Owned
Land development will
showcase how innovative
development can assist
in growing our city
strategically in ways that
foster culture, community,
social infrastructure and
economic opportunities"

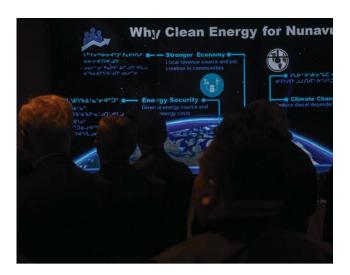
HARRY FLAHERTY AS QUOTED AT THE INUIT OWNED LAND LEASE SIGNING CEREMONY

CREATION OF NUNAVUT NUKKIKSAUTIIT CORPORATION

Qikiqtaaluk Corporation is excited to announce the creation of our newest subsidiary company, Nunavut Nukkiksautiit Corporation. QC president and CEO, Harry Flaherty introduced the new clean energy company at the QC meet and greet event held at the 2018 Northern Lights Conference in Ottawa.

Nunavut is at the forefront of transitioning to clean energy and reducing our reliance on fossil fuel. QC identified the opportunity to expand our services to the clean energy sector and through establishing the Nunavut Nukkiksautiit Corporation (NNC) we will take the lead on advancing Inuit-led renewable energy projects in Nunavut. QC's vision for NNC is to advance clean energy projects and create employment and financial opportunities for Inuit in the Qikiqtani Region.

NNC will be the first Inuit-owned clean energy developer in Nunavut to foster energy independence for Qikiqtani communities. NNC will collaborate with each Qikiqtani community to pursue renewable energy, energy conservation and energy efficiency projects to reduce Nunavut's dependence on fossil fuels. As a newly established subsidiary, QBDC will continue to advance NNC's mandate and initiatives until their portfolio supports dedicated employees.



MISSION

To pursue a diverse portfolio of clean energy projects in the Qikiqtani Region that will improve community capacity and self-reliance by creating opportunities that enhance local Inuit business and individual career development prospects while alleviating fossil fuel dependency.

VISION STATMENT

Qikiqtani's clean energy leader through establishing sustainable, Regional-community owned clean energy projects that foster economic development now and for Qikiqtani's future generations.



QC 2017 DIVIDEND TO QIA

QC was proud to present our shareholder, Qikiqtani Inuit Association, a cheque for \$1.84 million in November 2017. This dividend cheque is representative of QC's economic achievements and successes over the past fiscal year.

The Dividends Policy was created and approved with the QC and QIA Board of Directors and since approval, QC has contributed over \$2.9 million in dividends to QIA.

QC is committed to reinvestment in Nunavut. The annual dividends to QIA is just one way in which we contribute to Inuit economic and career development, and social and cultural programs and activities for Inuit within the Region.





"We at Qikiqtaaluk
Corporation are proud
of our success over the
past fiscal year," says QC
Chair Olayuk Akesuk, "we
are pleased to be able to
contribute to the important
work at QIA and in turn
give back to Inuit in our
Region."

QC SCHOLARSHIP PROGRAM

Each year, QC and Group of Companies offer scholarships to outstanding Inuit students who are pursuing a full-time diploma or undergraduate degree at an accredited educational institution in Canada. Every year, QC looks forward to receiving the applications from across the Region and are always impressed by our youth's achievements and career goals.

This year QC and QPI were pleased to award the scholarships to two deserving young individuals who are pursuing ambitious career goals.



Qikiqtaaluk Corporation awarded a scholarship in the value of \$6000 to Jonah Qittusuk from Sanikiluaq.

Jonah is enrolled in his second year in the Environmental Technology Program at the Nunavut Arctic College in Iqaluit. When Jonah graduates he wants to pursue a career in wildlife management as either an environmental practitioner or a conservation officer to allow him to contribute his skills and experience towards wildlife management in Nunavut.

Qikiqtaaluk Properties Inc. awarded a \$6000 scholarship to Joshua Komangapilk from Iqaluit. Joshua is studying Environmental Studies and Geography at Bishop's University in Sherbrook Quebec. Joshua will earn his Bachelor's Degree in December 2018 and then intends to pursue a Master's Degree in Northern Studies at Carleton University. This is an interdisciplinary program focusing on northern policy, environmental topics and culture. Joshua has been accepted to do his honours thesis for the fall semester on Inuit food, water and energy security in Nunavut.



The scholarship program is designed to assist students while they are pursuing a full-time diploma or undergraduate degree at a recognized, accredited educational institution in Canada. Preference is given to eligible students pursuing studies in the areas of Finance, Accounting, Administration, Property Management, Construction, Trades, Retail Management, Business Management, Environmental Services or Project Management.

QC CONTRIBUTIONS & SPONSORSHIPS

Each year, QC provides monetary contributions to various events, groups and programs to promote our Region and Territory and to support our communities, youth and leaders.

EVENT SPONSORSHIP

2017 QIKIQTANI ANNUAL CHARITY GALA





For the past four years, QC and Group of Companies has partnered with NCC Investment Group, Canadian North and the Baffin Regional Chamber of Commerce to host an annual Charity Gala in Igaluit. The goal of the Gala is to fundraise in support of deserving initiatives across the Qikiqtani Region. Proceeds from the 2017 Charity Gala were donated to Food Banks and Hamlets in the Qikiqtani Region; the Nunavut Sivunikavut Program dedicated to providing Inuit youth with unique cultural and academic learning experiences; and Tungasuvingat Inuit which delivers quality programs and services that directly benefit our growing urban Inuit population. This year's event was a great success thanks to the support from various donors who contributed items to the auction which raised \$106,715.

NORTHERN LIGHTS 2018

This year QC was proud to be a Gold Sponsor of the Northern Lights Showcase which took place from January 31 to February 3 at the Shaw Centre in Ottawa. The high-profile business and cultural showcase of Nunavut, Nunavik, and Labrador/Nunatsiavut attracted more than 200 exhibitors and 1200 delegates.



QC was an exhibitor at the tradeshow and also hosted and sponsored numerous events over the four days. QC and Group of Companies hosted a Synergy Forum with our Partners, Joint Ventures and Affiliates which provided an opportunity for everyone to come together to discuss current challenges and opportunities and to network to create synergistic transboundary relationships. QC gave a presentation on "Looking Forward and Exploring Opportunities" that covered topics such as Arctic Investments, Nunavut Development Opportunities, Northern Transportation, Clean Energy, Connectivity and Fisheries.











QC also hosted a hospitality event for the Group of Companies, Joint Ventures, Partners, Affiliates and business associates. The Reception was a great way to network and an opportunity to showcase and celebrate QC's achievements over the past year. A presentation was given on QC Group of Companies, Partners and Joint Ventures and president and CEO Harry Flaherty announced QC's newest subsidiary company, Nunavut Nukkiksautiit Corporation. Many representatives of QC, its Group of Companies, Joint Ventures and Affiliates were recognized for their significant contributions and achievements and the great work they do. A silent auction with all proceeds going to Nunavut Sivuniksavut and Tungasuvinat Inuit raised \$10,405. Guests were entertained by Nunavut Sivuniksavut performers, a fashion show by Nunavut Arts and Craft Association and by the musical talent of the Beatrice Deer Band.









2017 NUNAVUT TRADESHOW

QC was a proud sponsor of the 26th Annual Nunavut Tradeshow which took place in Iqaluit from September 19th to 21st.



The tradeshow is an important business event as it brings together all levels of public and private industry including governments, Inuit Corporations, businesses, investors and entrepreneurs. It provides delegates an opportunity to network and develop relationships that may rise to future partnerships and advancements. QC always sees value in our participation in the Tradeshow and this year was no exception.



PROGRAM SPONSORSHIPS

School Breakfast Programs

QC has been supporting the Qikiqtani Breakfast Program since 2013 and this year contributed \$16,000. A contribution of \$1000 went to each of the 16 schools in the Region to support breakfast programs and our youth as they learn; a well-nourished child who starts the day with breakfast is more likely to be at school, to be a better learner, and to enjoy their educational experience.

Students on Ice

Students on Ice is a youth leadership and education program for Canadian and International students to partake in an educational journey throughout the Arctic that allows youth to become aware of, and engaged in, the present and future opportunities and challenges facing the circumpolar world. QC is proud to support this amazing program that encourages and teaches youth to become polar ambassadors. This year QC provided \$11,500 to sponsor Cara Killiktee from Pond Inlet to be a participant in the 2017 program.



"This [QC's sponsorship] kind gesture has fulfilled my dream of attending this incredible expedition. I have never been [so] proud of myself. There is so much more out there to learn and this expedition is just the beginning!"

-Cara Killiktee







COMMUNITY INVESTMENT PROGRAM

Each year, QC contributes funding in support of initiatives focused on community, youth, leadership and culture. The Community Investment Program is application based and contributions and sponsorships are awarded to individuals, community-based programs, and organizations which promote cultural development, community health and youth development.

Christmas Program - \$6000

Each year QC donates \$500 to each of the twelve Qikiqtani Hamlets to assist with purchasing prizes for the winners of the Inuit games competitions over the holiday season.

Community Events - \$14,233

QC supports various community events such as community feasts, Elders' feasts, and the Community Walrus Harvest.

Food Donations - \$2000

QC contributes funding each year to local food bank programs to go toward the food baskets distributed to families in need during the holiday season.

Individual Donations \$6,000

Donations are provided to individual youth to support attending activities such as sports camps, educational and leadership conferences, pageants, and leadership programs.

Youth Programs - \$16,500

Donations are provided for various programs and events such as the Youth Exchange Program, the Nunavut Youth Initiative Program and graduation trips. QC is proud to support programs such as the Nunavut Youth Initiative which fosters life skills and a sense of cultural identify for youth across Nunavut through teaching them traditional skills and activities such as igloo and qamutik building, and seal hunting.





Northern Youth Abroad - \$5,000

The NYA program is a cross cultural work and learning experience program in southern Canada and abroad. Participants, who are from Nunavut and Northwest Territories between the ages of 15 and 20, gain leadership skills, explore career options, and are exposed to volunteer opportunities through attending this program. QC is always happy to support this program and our youth as they mature into the leaders of tomorrow. This year QC sponsored one of the ten youth from the Qikiqtani Region who participated in the program.



"After completing NYA, I learned that I can accomplish my goals. I have learned leadership and communication skills"

QUENTIN SALA, SANIKILUAQ NU 2017 CANADIAN PROGRAM PARTICIPANT.

Sports Teams and Activities - \$50,267

QC is proud to support programs promoting health and active lifestyles, leadership and team building. Each year we provide funding to sports teams in our Region to offer support for things such as registration fees, tournament fees, equipment purchases, travel and other related items.





FISHERIES DIVISION ACTIVITY REPORT





MISSION

To responsibly harvest allocated fishing quota and maximize benefits to Nunavummiut through reinvestment of revenues in projects and services that foster wealth, employment and self-reliance.

Qikiqtaaluk Corporation (QC), through its Fisheries Division, is a major player in the Canadian shellfish and groundfish industries. It holds 1.5 of the 17 available offshore shrimp licenses and a share of the allocations of turbot and shrimp allocated to Nunavut and administered through the Nunavut Wildlife Management Board (NWMB) Access & Allocation process. The company is the majority partner in Qikiqtaaluk Fisheries Corporation (QFC) which owns a large multi species factory freezer trawler, the Saputi. QFC harvests one of QC's shrimp licenses, plus QC's share of Nunavut allocations from NWMB, and turbot and shrimp for other Nunavut and southern players. QC is also an equal partner with Makivik Corporation of Nunavik in Unaaq Fisheries, which holds the other offshore shrimp license.

Building on the first shrimp license, the QC Fisheries Division has had commendable growth since its creation and will continue to grow and expand responding to the markets, the environment and the needs of our shareholders. QC has utilized the royalties and profits from its fisheries operations to help develop itself as a diversified company, active in various economic sectors and providing high levels of Inuit employment. The QC Fisheries Division, in addition to its majority owned Qikiqtaaluk Fisheries Corporation and various other joint ventures, has affiliations with other fisheries research, training and Northern, National and International fisheries organizations.

This past year, the Fisheries Division continued to pursue our priorities identified in our five-year Strategic Plan including developing an Inshore Fisheries Development Plan and establishing the Qikiqtani Fisheries Alliance. We continued to negotiate for our fair share of both turbot and shrimp quotas (which today are only 11% and 34% respectively) administered through the Nunavut Wildlife Management Board's Access and Allocations process and focused on maximizing Inuit employment on the Saputi.

2017/18 HIGHLIGHTS

Inshore Fisheries Development Plan

Responding to the community priorities heard during our community tours, QC Fisheries Division developed an Inshore Fisheries Development Plan. This plan identifies the needs, priorities, and opportunities for inshore fisheries and outlines an action plan to develop the Qikiqtani inshore fishery. This Plan includes significant investment from QC over the next five years to support the inshore fishery and community development projects. Highlights of the plan include:

- Investment in Infrastructure: Collaborate with communities to purchase inshore fishing vessels to support a summer turbot fishery. QC is sourcing funding for the construction and operation of a 12-meter multipurpose Nunavut inshore research vessel to do baseline research and surveys.
- Ensure Continuation of Research/Surveys: Establish an Industrial
 Research Chair to provide dedicated inshore fisheries research and
 continued support to the Nunavut Fisheries Association Research and
 Development fund.
- Community Support: Host biennial Inshore Fisheries Forums, Conduct feasibility studies on self-contained portable processing plants, winter and summer test fisheries





Creation of Qikiqtani Fisheries Alliance



QC Fisheries Division identified both a market opportunity and shareholder need to develop the inshore fishery in the Qikiqtani Region. QC Fisheries Division worked with the HTAs in the four communities of Sanikiluaq, Cape Dorset, Hall Beach and Igloolik and created the Qikiqtani Fisheries Alliance (QFA) which held its first meeting on August 31, 2017. With support from QC, the management company, the QFA is an equal partnership between four HTAs and QC. These four communities are not otherwise affiliated with any other Nunavut quota holder and have come together to participate in the Nunavut fishery to provide economic benefit to their respective communities.

Drawing on our years of experience, QC sees this as an opportunity to offer support, guidance and expertise to the QFA. QC Fisheries Division will focus our initial inshore fishery development efforts on supporting the QFA member communities as inshore fishery development is a key component of the QFA business plan.

QFA Mandate



HARVEST

Harvest commercial fisheries allocations issued by DFO, pursuant to the recommendations of the NWMB



INVEST

Invest in inshore fisheries and in community economic and social development projects in the Qikiqtani communities



INFRASTRUCTURE

Develop other potential fisheries related projects and provide economic support for infrastructure, such as freezers, in the Qikiqtani communities



INSHORE FISHERIES

Develop potential inshore and near-shore fisheries



RESEARCH

Conduct research and surveys to identify species in waters adjacent to various communities

QFA Board

Olayuk Akesuk (Non -Member) - Appointed Chair of QFA

Simigak Suvega - Cape Dorset HTA representative (Vice Chair)

Peter Kattuk - Sanikiluaq HTA representative (President)

Harry Flaherty - QC representative (Secretary Treasurer)

Michelline Ammaaq - Igloolik HTA representative

Sam Arnardjuak - Hall Beach HTA representative

2017/18 MARKET TRENDS

The 2017/18 turbot markets, in particular for heads and tails, experienced a period of adjustment, however the overall market returns for turbot were still strong and somewhat stable. The Pandalus borealis shellon shrimp market for cooked and raw product was stable and experienced some price increases, however the market for Pandalus montagui was down and as a result, more of the montagui product went into the industrial market where a substantial portion went into the various processing plants in Canada, Greenland and Iceland for further processing. QC expects to see continued strong market returns for shell-on cold water shrimp; worldwide supply continues to decrease, and demand continues to increase, in addition more product development and more markets are becoming available for the montagui shrimp. On average, overall shrimp returns were approaching record highs this year and with the current and projected market demand-supply, this return is anticipated to improve.

Saputi made twelve trips in 2017/2018. There was an increase in the number of trips made compared to the previous year. Saputi made eleven trips in 2016/2017, ten in 2015/2016.



2017/18 QUOTAS

Qikiqtaaluk Corporation's shrimp and turbot allocations from its offshore shrimp licenses and from Nunavut Wildlife Management Board (NWMB) allocations are harvested as follows:

- QC offshore shrimp license and its NWMB allocations of shrimp and turbot are harvested on the Saputi.
- QC's 50% share of the Unaaq offshore shrimp license is harvested under contract with Clearwater Seafoods Limited Partnership (CSLP). CSLP also harvests a portion of QC's shrimp allocations in the Ungava bay area.

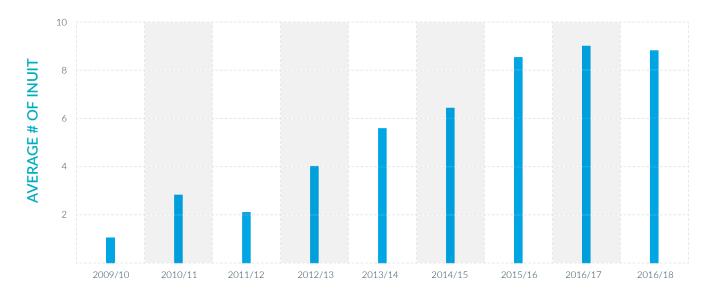
In 2017 QC had access to 19% (11% itself and 8% by harvesting agreement with PFL/CSFL) of the 0A turbot quotas and 35% of shrimp quotas in Nunavut administered through NWMB process. However, accounting for upcoming conclusion of the PFL/CSFL harvesting agreement for 0A turbot, QC availability of Nunavut turbot quotas will be just 11% in 2018 and 35% respectively for shrimp. QC has been actively championing to promote that QC receives its fair and equitable share of both turbot and shrimp quotas administered through the NWMB's Access and Allocations process. Due to low Nunavut allocations, especially for turbot, QC has had to lease quota from other Nunavut and non-Nunavut allocation holders to keep our vessel operating at capacity.

While QC's limited quotas present challenges, QC continues to seek means to support the viability of our vessel. Overall the turbot biomass continues to be strong and as a result the overall Total Allowable Catch has increased, and we can expect further increases in both OA and OB turbot in 2019. To improve the turbot harvest QC continues to work with the groups in the south in particular the Labrador Fishermen's Union shrimp Company limited (LFUSCL) to exchange area quotas which allows QC to start harvesting turbot earlier in the year. A decline in shrimp biomass in southern shrimp fishing areas (especially in SFA6) has resulted in the decrease of QC quotas by 1,255 tonnes over the period 2009 to 2018. To offset this, QC has increased its effort to harvest more shrimp in the northern areas of SFA1, Davis Strait East and the Ungava Bay (mostly montagui).

INUIT RECRUITMENT, TRAINING AND RETENTION

QC Fisheries is proud to report continued increase in Inuit employment rates across all position levels. Overall the number of Inuit per trip on the Saputi increased by 93% from 2009 to 2018 going from 1 to 9. Specifically, in 2016/2017, 92 factory positions and 7 management positions were held by Inuit over the course of 11 trips. In 2017/2018, there were increases in both; 95 factory positions and 11 held management positions were held by Inuit over the course of 12 trips. Annual Inuit earnings from the fishery division has increased from less than \$100,000 in 2009 to more than \$2,200,000 in 2017/18. In 2018 and beyond QC will focus on increasing its percentage of Inuit crew on the Saputi by ensuring that we have more Inuit on the deck and in more managerial and technical positions on the Saputi.







QIKIQTANI RETAIL SERVICES ACTIVITY REPORT

Qikiqtani Retail Services Limited (QRS) was formed in 1999 under the name Baffin Gas Limited. In our 19 years of service to the Iqaluit community QRS has expanded and refined its services to respond to Iqaluit's needs and desires. Over the years our core service of safe and convenient delivery of gas and retail convenience items, has remained the heart of our business and we strive to serve our community to the best of our abilities.

Qikiqtani Retail Services (QRS) is pleased to report a successful year. The QRS is guided by our mission to fulfill the retail needs of our community and strives each year to make gains towards each of our corporate objectives. Looking to next fiscal year and onwards we will redefine and redevelop our services to respond to our community's needs. QRS will continue to service the community of Iqaluit through our gas and retail services and will assess new opportunities as they may arise.

ORS 2017/18 HIGHLIGHTS

QRS Retail

QRS assesses the viability of our services on an ongoing basis to ensure sound business decisions and profit generation for our shareholders. Through evaluation of competitor supply and consumer demand QRS has shifted our sales focus from grocery items to convenience, lotto, and ammunition. Reflecting this shift, tobacco, lotto and ammunition revenues now account for a larger portion of total sales with gas continuing to be the largest revenue and profit producer.

QRS also sought to improve the use of our infrastructure. QRS installed industrial shelving to improve the onsite storage space. This supported the transfer of inventory from an offsite warehouse and improved efficiency of space.

QRS Employee Development

QRS employed a total of 35 full and part-time staff during the 2017/18 fiscal year. Responding to Western Lottery Corporation's requirement for certified lottery ticket sellers, QRS has initiated training for all employees. QRS is pleased to announce that five of our personnel received their Firearms Acquisition Certificates making ammunition sales more convenient for our customers.

QRS Health and Safety

This fiscal year QRS approved a Human Resource Policy and Substance Policy. Our new Policy reflects QC's mission of supporting Qikiqtani Inuit in training and capacity building. QRS continues to put safety as paramount. This year several new alarms systems were installed to improve the safety environment for our employees including new smoke and CO2 detectors and personnel safety alarms.

QRS continues to support the Iqaluit community through our Elders' discount, Hunters and Trappers Association discount and the provision of spot devices and survival suits for hunters



QIKIQTAALUK BUSINESS DEVELOPMENT CORPORATION ACTIVITY REPORT

The Qikiqtaaluk Business Development Corporation (QBDC) was created to focus on economic development opportunities within each of the thirteen Qikiqtani communities of Nunavut. To deliver this mandate QBDC supports the other QC wholly-owned subsidiaries and partner companies in seeking viable economic opportunities. QBDC strives to create a unique partnership model with each community and seeks direct and indirect investment opportunities to deliver essential infrastructure and innovative approaches to community economic and career development.

QBDC pursues infrastructure and programming that aligns with the priorities of QC and Group of Companies and the QIA. QBDC endeavors to proactively align synergies and support discussions that promote advancement of projects for the Qikiqtani Region. This past year, we supported QC and the QIA in developing materials for important projects such as the Nunavut Heritage Centre, the deep-sea port in Qikiqtarjuaq, a Grise Fiord Lodge and Cultural Centre, and the Inuit Impact and Benefits Agreement negotiations for Tallurutiup Imanga National Marine Conservation Area.

This year QBDC also advanced many QBDC-led projects and initiatives including completing the design of the Hotel and Conference Centre, advancing the planning for the Inuit Owned Land development on Federal Road, organizing a clean-up of the Cape Dorset metals dumpsite and pursuing several clean energy initiatives. We also continued to work with the National Research Council (NRC) on the Research House. We continued to collect thermal performance data and NRC installed a new ventilation technology to test its performance in an Arctic climate.

MISSION

To foster community capacity and self-reliance through strategic partnerships, innovation and investments that address the essential infrastructure deficit and enhance local Inuit business and individual career development.





QBDC 2017/18 HIGHLIGHTS

Hotel and Conference Centre

The design for the Hotel and Conference Centre was completed in 2017. The 8,500-square meter facility will feature 94 guest rooms, a restaurant, lounge, conference center and meeting rooms. The design has been advanced in a manner that can accommodate future inclusion of renewable energy technology. QBDC was a successful respondent to a Federal Government funding call for expressions of interest to advance the hotel as a net-zero energy ready facility. We were invited to submit a full proposal which is currently under review. If successful in receiving federal funding, QC will invest additional funding to advance the Hotel and Conference Centre in becoming the first Canadian Arctic net-zero energy building.



Issuance of a development permit was prolonged due to the challenge posed by the necessity to extend municipal sewer servicing to the Inuit Owned Lands on which the hotel is being developed. In efforts to advance construction works in the 2018 season QBDC advanced a phased development permit approach. The Phase 1 civil works permit was approved, and the Phase 2 permit will be advanced over the summer of 2018.



IOL development

The development of the IOL along Federal Road has long been challenged due to lacking sewer servicing in the Federal Road area. To address this challenge QBDC and the City of Iqaluit have collaboratively undertaken a planning exercise to investigate how to cohesively develop the lands along the Federal Road inclusive of the undeveloped Inuit lands fronting Federal Road, municipal lands south of the Plateau and light industrial lands south of Federal Road. In March 2017 QBDC and the City hosted engagement sessions with Elders, Youth, Government, Industry and the Public and brought forward concepts for the land use for discussion and feedback. This feedback is being incorporated and will be brought back to the community for review.



The energy goal of the IOL development is to be energy self-sufficient in both production and distribution. QBDC is pursuing energy features for the development area such as a smart microgrid energy system that will incorporate real-time demand analysis, on and off site renewable energy installations, and utility grade energy storage.



Cape Dorset Metals Project

In 2017 QBDC was the successful applicant for POLAR Knowledge Canada funding for a demonstration project in Cape Dorset to clean-up the metals dumpsite through a community-driven, train-the-trainer model. QBDC positioned the project as a collaborative multi-level government approach inclusive of Federal, Territorial, Municipal Governments, and the Regional Inuit Organization. The project structure maximizes local Inuit training and employment and builds capacity at the municipal government level with support from QBDC. In addition to QBDC's financial and in-kind contributions to the project, QBDC was successful in securing funding from POLAR Knowledge Canada, the Government of Nunavut and Kakivak Association.



The 2017 summer was a great success. Six Cape Dorset residents were hired and trained in the safe removal, handling and packaging of hazardous waste from waste metals. By the end of the summer most vehicles at the dumpsite were depolluted and refrigerants recovered from about half the fridges and freezers. To offset the amount of waste oil required to be shipped south for disposal the project supported the purchase of a waste oil burner to be installed in the Hamlet Garage. This not only provides sustainable management of future waste oil but also generates free heat for the garage. The Government of Nunavut made available their metal baler through inkind project support. After two weeks of intense training a local equipment operator was fully trained and in a few short weeks had baled about 600 tonnes of metal.

The project in Cape Dorset is a demonstration of a new approach to delivering projects that truly prioritize capacity building and a social return on investment. This project scope has evolved reflecting the unique needs of the community and has supported the municipality to drive the project priorities.





Clean Energy Initiatives

Throughout 2017/18 QBDC continued to pursue opportunities to position QC as a leader in advancing clean energy initiatives in our Region. With the Government of Canada's commitment to reducing diesel dependency in remote communities and the announcements of many upcoming funding opportunities, QBDC focused our efforts in the first half of the fiscal year towards creating strategic relationships with the Hamlets and with targeted companies and organizations in the clean energy sector. Throughout the remainder of the fiscal year, QBDC worked with these Hamlets, clean energy experts and technology developers to propose projects in response to the Federal Funding programs.

The wind monitoring towers installed in Sanikiluag and Igaluit in March 2017, operated successfully providing one full year of on-site wind data at both locations. This data is required to assess the wind resource and confirm its potential to generate energy. QBDC now has the required information to leverage further funding to advance these projects to the next stage of implementation. We are working to develop a project proposal for a high diesel displacement power platform, inclusive of wind turbines and battery energy storage, that is capable of displacing more than 50% of diesel fuel used for electricity generation in Sanikiluag. QBDC will continue to work with the Hamlet to seek funding to support this proposed project.





QIKIQTAALUK PROPERTIES INC. ACTIVITY REPORT

Qikiqtaaluk Properties Inc. owns, manages and leases residential, commercial and institutional properties in Iqaluit. Since the 2006 merge between Kakivak Development Corporation and Lot 521 Joint Ventures Inc. to create QPI, we have flourished in delivering our mandate of managing real estate holdings. We strive to create a healthy living and working environment for our tenants. In 2017/18 we expanded our real estate portfolio with the purchase of a new building in Iqaluit and planned the construction of another. We secured and signed several new lease agreements, and invested in numerous building improvements to many of our assets. QPI respects our responsibility to provide safe, secure, functional and attractive accommodations as we deliver on each of our four key areas:

MISSION

To provide safe, secure, functional and attractive accommodations for our tenants

- 1. Administration of QC and Group of Companies' residential housing units
- 2. Management, including leasing and custodial services, of its own commercial properties
- 3. Operations and maintenance of commercial and housing units
- 4. Property development





QPI 2017/18 HIGHLIGHTS



Purchase of Hotel Arctic

This year, QPI increased our real estate portfolio to include the former Arctic Hotel (Nova Hotel). The negotiations for this purchase from Northview REIT began last year and after reaching an agreement and completing the commercial holding appraisals, we secured financing and finalized the purchase this fiscal year.

QPI was the successful proponent of two Government of Nunavut Request for Proposals; Nunavut Arctic College Office and Program Space, and Nunavut Arctic College Student Residences. Upon finalizing the purchase of the building, we quickly went to work with NCC Development to repurpose the former full-service hotel to accommodate 56 student rooms on the top three floors and changed the layout of the first floor to accommodate a dining hall, classrooms and administrative offices. We also took the opportunity to invest in building improvements including the installation of a new air handling unit, and replacement of the first-floor lights to LEDs.

New Lease on Inuit Owned Land

QPI signed a lease with the Qikiqtani Inuit Association for a parcel of land on the Inuit Owned Land along Federal road. Throughout the year, we worked with QBDC to plan a garage and office space with the intention to be leased to Uqsuq Corporation to house their fuel trucks and administration offices. QPI engaged NCC Development as the design build contractor for the building. QPI, with support from QBDC, worked hard to advance the design and secure the development permit in time for an anticipated fall 2018 occupancy date.



New Property Leases

QPI secured and renewed several new lease agreements in 2017/18. This included two renewed leases with long-term leaseholders including the Royal Bank of Canada and the Nunavut Fisheries and Marine Training Consortium and several other leases with new clients.

To facilitate efficient management of QPI's real estate portfolio, QPI continued to work with CREVA Group over the past year to develop Lease Maturity Schedules and Reports for all commercial properties. These Reports support timely lease renewals and optimize rental rates and types.

Asset Development and Growth

QPI continues to assess potential development opportunities within Iqaluit and the Qikiqtani Region. Throughout 2017/18 maintenance staff went above and beyond to not only complete building improvements such as painting and renovations, but also to improve the energy efficiency of QPI's asset portfolio.

Commercial Tenant improvements:

- Creation of additional training space for Nunavut Fisheries and Marine Training Consortium
- Renovations for new commercial tenants
- Roofing and window upgrades and improvements
- LED lights installation
- Siding replacement

Residential Property Improvements:

- Siding replacement
- Exterior painting
- Skirting replacement



Employee Highlights

As a company under the Qikiqtaaluk Corporation umbrella, Inuit employment and capacity building are priorities. We are committed to providing training and advancement opportunities for our employees and are proud to report a 100% Inuit employment rate in 2017. This year, QPI hired two as-and-when casual labourers for summer projects. QPI hired an apprentice housing maintainer who has now successfully completed two years of the three-year program.

QPI is also pleased to announce that Napatchie DeCouto has accepted the promotion to Property Manager for the Real Estate Division. Napatchie has been with QPI since 2011 in the role of Property Administrator. Napatchie is enrolled in the Property Management Institute and is working on completing her Certified Property Manager Designation.

QPI staff won the Qikiqtaaluk Corporation Health and Safety Week Challenge claiming 1st, 2nd, and 3rd prizes.



Community Service

QPI is proud to support Qikiqtani communities through scholarships and sponsorships. QIP awarded a deserving \$6000 scholarship to Joshua Komangapilk and sponsored many sporting events and teams this year. QPI is pleased to offer support for recreation across the Qikiqtani Region. This year we were the proud sponsors of teams in several leagues and tournaments including the Iqaluit Recreational Hockey League, the Pond Inlet Qamutiq Cup (hosted by Pond Inlet) and both Hall Beach and Iqaluit's teams in the Iqaluit Toonik Tyme Tournament.





QIKIQTANI INDUSTRY LIMITED ACTIVITY REPORT

MISSION

Provide affordable quality services to both the private and industrial sectors throughout Nunavut.

Qikiqtani Industry Limited (QIL) was created to pursue projects and partnerships within the industrial sector in Nunavut. QIL's mandate is to provide customized and turnkey service solutions with a focus on maximizing Inuit participation. QIL pursues projects in collaboration with business partners either as lead contractor or sub-contractor. QIL also provides support to many of QC's other subsidiary companies, joint ventures and affiliates through providing skilled labourers, automotive and heavy equipment mechanic services, and rental of equipment.

QIL reassesses the Arctic market needs on an ongoing basis and responds accordingly by redirecting their services to meet current market demands. QIL was initially created to focus on providing support and services to project developers and companies in the Arctic mining and oil and gas sectors. The company has since expanded their services and has formed two divisions; the Human Resources Division and the Logistics Division.

The Human Resources Divisions focuses on providing recruitment and employment services to external projects.

The Logistics Division offers varying logistics services such as snow clearing, mail delivery services, environmental remediation services, and professional moving and assembly services.



2017/18 HIGHLIGHTS

Human Resources Division

The Human Resources Division's main contract continues to be the Catering and Housekeeping Contract with Baffinland Iron Mines. QIL has provided catering and housekeeping services to the mine for the past twelve consecutive years.

This contract includes providing food and housekeeping services to 695 people per day at both the port and main mine site. In 2017/18 QIL employed 254 employees to fulfill the contract and achieved a 74% Inuit employment rate. Many hires are from the mine's neighboring



communities and Iqaluit. QIL prioritizes hiring employees from the five communities impacted by Baffinland Iron Mines when possible; Arctic Bay, Clyde River, Hall Beach, Igloolik and Pond Inlet.

This past fiscal year, many of the employees received training and certifications in various courses such as WHMIS, First Aid, and Food Safety Training. One employee received training to deliver future Food Safe training and two employees from Pond Inlet took a three-month camp cook course offered through the Nunavut Arctic College. Overall, 58 certificates were awarded in these courses; 36 of which were earned by Inuit employees.

Logistics Division

QIL-Logistics Division continues to provide quality services for our ongoing contracts in commercial and residential snow clearing, equipment rental, mail delivery services, professional moving and local cartage services and heavy equipment and automotive mechanical services. We have established a great customer-client relationship with clients such as the Government of Nunavut, Federal Government, Qikiqtani Inuit Association, Nunavut Tunngavik Inc., and the QC subsidiaries. Our reputation for quality work has established QIL as the go-to company for many of our clients.



Our quality of service and affordability have landed us new contracts this last year. New snow clearing contracts were secured for various clients including the Government of Nunavut. QIL was also a successful proponent on the Government of Nunavut's Standing Offer Agreement for Ground Transportation Services in collaboration with CK Logistics.

QIL Inuit employment rates increased in fiscal year 2017/18 to 100%. QIL supported several staff in professional development training; two employees enrolled in Project Management courses and are working toward their professional designation, one employee took a Microsoft Office course and one employee was certified in Supervisor Safety Training. In the previous fiscal year, two QIL employees were trained to deliver operator training in heavy equipment; this past year they put their training to good use and trained other QIL employees on heavy equipment operations.

OTHER WHOLLY-OWNED SUBSIDIARIES

3379442 Canada Inc. has become an important aspect in the advancement of the construction plans and financing of the Hotel and Conference Centre on the Inuit Owned Land Development in Igaluit.

Qikiqtani Resource Agency improves the quality of life for the people of the Qikiqtani Region by innovation, resourcefulness and sound management.



MAJORITY OWNED JOINT VENTURES

Qikiqtaaluk Fisheries Corporation responsibly harvests its allocated fishing quotas for shrimp and turbot. Qikiqtaaluk Fisheries Corporation invests within the fishery in training, infrastructure and research to support a sustainable fishery that realizes economic benefits to the Qikiqtani Region.



Qikiqtaaluk Environmental Inc. provides consulting and engineering services including site assessment and remediation, hazardous materials management, air quality and sustainability consulting, and training. QE continues to grow in experience and breadth and are becoming a leader in waste management and site remediation in the north.



Qikiqtani First Aviation Ltd. provides a range of aviation services throughout the Qikiqtani Region. Partnering with First Air to use their fleet of aircrafts enables Qikiqtani Inuit to participate immediately in the many opportunities and future development of the Region's air transportation.



QC-Scarlet Security Services Inc. provides customized security services to the oil and gas, pipeline, construction and mining industries in Nunavut. Scarlet Security Services offers flexible turnkey solutions to support a variety of requirements.



Tulaktarvik provides Nunavut clients with world-class integrated marine services. Tulaktarvik focuses on specialized marine services for remote communities and heavy industrial projects.





OTHER JOINT VENTURES AND AFFILIATES

Nunasi Corporation is a 100% Inuit-owned and Nunavut-owned business development company. Nunasi seeks to create business ventures that will benefit career, employment and quality of life for Nunavut.



NCC Investment Group is 100% Inuit-owned and seeks to enhance Inuit participation in the Nunavut economy by creating wealth, employment and business opportunities through investment in real estate.



Larga Baffin Ltd is 100% Inuit-owned and provides boarding rooms (located in Ottawa) and support services to Inuit who need specialized medical care not available in their home communities.



Nunavut Petroleum Corporation is 100% Inuit-owned created to supply and deliver refined petroleum products.





Nunavut Sealink & Supply Inc. provides reliable sealift carriage and related services to all Nunavut Eastern and Central Arctic Communities.



Toromont Arctic Ltd. sells, rents and provides customer support services for new and used equipment.





Uqsuq Corporation has been fueling Iqaluit since 1996 under contract with the Government of Nunavut for the operation of the bulk fuel storage and distribution system.



Unaaq Fisheries Inc. develops partnerships with major national and international fishing companies. Unaaq Fisheries shares a shrimp licence with Makivik Corporation to fish in Canadian waters.





2017/18 ANNUAL REPORT



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