



Investor Presentation

FIRST NATIONS FINANCE AUTHORITY – MAY 2024

Henvey Inlet Wind Project • Shave Media



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Warren Tobobondung – Wasauking First Nation

“Our culture and spiritual obligation is to have, in our best interest, the total well-being of the earth, creation, and the people. An EMP (environmental management plan) allows us to identify environmental issues and outline our core environmental values, while providing a clear procedural mechanism to identify how our valued environmental components will be protected for the next seven generations.”

- From the Wasauking FN Environmental Management Plan





FTSE Bond Indices

**Municipal
Index**

**Upgrade Effective
May 13, 2024**

**Federal
Agency
Index**

“This announcement raises our profile and demonstrates why it would be advantageous for the federal government to strengthen its partnership with FNFA and renew its commitment to the growth and success of First Nations economic reconciliation,”

-Ernie Daniels, CEO and President of FNFA



Upcoming Developments

Amendment to FNFMA

- Non-profit aboriginal organizations eligible for FNFA borrowing

Reconciliation

- Increasing potential in equity positions of large energy and resource projects

Outlook

- Larger loans and increasing demand, which in turn will increase our debenture issuance sizes and frequency.

Future Projects



British Columbia

- Equity in LNG project (Potential \$1.4B over 5 years)
- Equity in Wind Farm (Potential \$500M)
- Recent BC Hydro RFP reinforces Indigenous participation in energy projects

Prairies/Ontario/Quebec

- Equity in Wind Farms and other energy/resource projects

Atlantic

- Equity in Hydrogen, Shipyard, Fishing, and other energy/resource projects



Indigenous Participation

“BC Hydro’s UNDRIP Implementation Plan informs the power authority’s objective to facilitate an economic participation model by which the BC RFP might create meaningful economic benefits to First Nations.

The economic participation model awards evaluation credits through three factors:

1. “Project First Nations” (being First Nations in whose territory the project is located) equity ownership of each project must be a minimum 25% (pass fail assessment)
2. Evaluation credits exist that acknowledge Project First Nations equity ownership in excess of the minimum 25% up to a maximum of 51%
3. Non-equity economic benefits accruing to Project First Nations under a proposal”



ESG update – Projected Debenture #11

ESG Category	Member Name	Loan Amount Debenture #11 (\$M)	Loan purpose	Description	Job Creation	UN SDGs Supported
Access to Basic Infrastructure	Bingwi Neyaashi Anishinaabek (ON)	\$3	Road improvements	Completing upgrades to community roads to allow for safer access to the community and improve infrastructure development.	28	  
	Black River (MB)	\$1	Road improvements	Completing upgrades to community roads to allow for safer access to the community and improve infrastructure development.	Refinance	  
	Ebb & Flow (MB)	\$6	Internet upgrade	Upgrade to reserve internet infrastructure to allow for reliable access for on-reserve community and business entities.	Refinance	  
	St. Theresa Point (MB)	\$6	Roads, radio & cable installation	Completing upgrades to community roads to allow for safer access to the community and improve infrastructure development.	Refinance	  
Access to Essential Services	Bande des Innus de Pessamit (QC)	\$1	Community garage & energy production facility	Upgrade to community garage allows for community access to essential service. Energy production facility allows for more reliable energy support for community and business.	Refinance	 
	Osoyoos (BC)	\$9	Administrative building	Construction of administrative building to allow for better support for community services.	Refinance	 
	Siksika (AB)	\$14	School construction	Construction of a community school increases access for support for children in the community.	Refinance	 
	Songhees (BC)	\$4	Wellness Centre	Wellness centre in community allows for increased access to support services for the community.	Refinance	 
	Splatsin (BC)	\$14	Multi-purpose facility	Construction of multi-purpose facility allows for community to better support youth and adults in the community.	Refinance	 



ESG update – Projected Debenture #11- continued

ESG Category	Member Name	Loan Amount Debenture #11 (\$M)	Loan purpose	Description	Job Creation	UN SDGs Supported
Access to Essential Services	Wasauksing (ON)	\$1	Government Building	Upgrades to government building ensure a reliable facility for band administration to take place.	Refinance	 
	Tzeachten (BC)	\$2	Community centre & recreation field construction	Construction of a community centre increases access for support for both youth and adults in the community.	Refinance	 
Affordable Housing	Ebb & Flow (MB)	\$7	Housing	First Nations low income houses for community members	Refinance	  
	Membertou (NS)	\$12	Housing	First Nations low income houses for community members	Refinance	  
	St. Theresa Point (MB)	\$6	Housing	First Nations low income houses for community members	Refinance	  
	PBCN (SK)	\$18	Housing	First Nations low income houses for community members	Refinance	  
	Tzeachten (BC)	\$2	Townhouse development	First Nations low income houses for community members	Refinance	  
	Lax Kw'alaams (BC)	\$9	Housing	First Nations low income houses for community members	Refinance	  
	Penticton (BC)	\$7	Housing	First Nations low income houses for community members	Refinance	  
Taku River (BC)	\$1	Housing	First Nations low income houses for community members	Refinance	  	



ESG update – Projected Debenture #11- continued

ESG Category	Member Name	Loan Amount Debenture #11 (\$M)	Loan purpose	Description	Job Creation	UN SDGs Supported
Employment Generation Through SME Finance	Chippewas of Georgina Island (ON)	\$5	Gas Station & Commercial Building	Commercial property and gas station purchased in order to employ First Nations community members and to earn profits to support programs.	55	  
	Norway House Cree Nation (MB)	\$7	Hotel purchase	Hotel Property purchased in order to employ First Nations community members and to earn profits to support programs.	83	  
	Membertou (NS)	\$13	Commercial building & lobster license purchase	Commercial purchases in order to employ community members and earn profits to support programs.	Refinance	  
	Leq'á:mel (BC)	\$4	Gas bar & convenience store	Gas bar and convenience store purchased in order to employ First Nations community members and to earn profits to support programs.	Refinance	  
	Shxwhá:y (BC)	\$3	Paper Plant	Paper plant purchased in order to employ First Nations community members and to earn profits to support programs.	Refinance	  
	Wahgoshig (ON)	\$3	Commercial business purchase	Commercial purchases in order to employ community members and earn profits to support programs.	Refinance	  











ESG update – Projected Debenture #11- continued

ESG Category	Member Name	Loan Amount Debenture #11 (\$M)	Loan purpose	Description	Job Creation	UN SDGs Supported
Employment Generation Through SME Finance	Yellow Quill (SK)	\$4	Business and Land Acquisition	Commercial purchases in order to employ community members and earn profits to support programs.	Refinance	
	Millbrook (NS)	\$6	Motel development	Motel property and convenience store purchased in order to employ First Nations community members and to earn profits to support programs.	Refinance	
	Malahat (BC)	\$12	Commercial business purchase	Commercial purchases in order to employ community members and earn profits to support programs.	Refinance	
	Tla-O-Qui-Aht (BC)	\$8	RV Park	Commercial purchases in order to employ community members and earn profits to support programs.	10	
	Tsawout (BC)	\$5	Land Acquisition	Purchase of land for commercial development in order to employ community members and earn profits to support programs.	54	
	We Wai Kai (BC)	\$27	Commercial business purchase	Commercial purchases in order to employ community members and earn profits to support programs.	220	



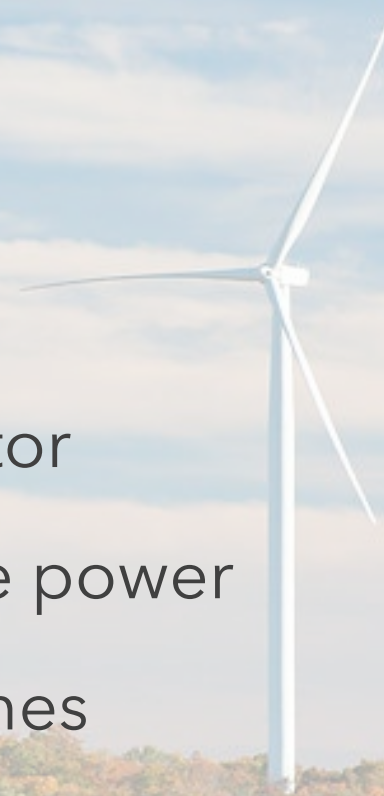
ESG update – Projected Debenture #11- continued

ESG Category	Member Name	Loan Amount Debenture #11 (\$M)	Loan purpose	Description	Job Creation	UN SDGs Supported
Food Security & Sustainable Food Systems	Lake Manitoba (MB)	\$1	Grocery Store and service centre	Provides groceries to community without having to drive 50 km to the nearest town.	45	 
	Batchewana (ON)	\$215	Projected Wind Farm Project	Increase ownership in wind farm project to promote sustainable energy project and to earn profits to support programs.	90	 
Renewable Energy	Nipissing (ON)	\$2	FIT solar system	Increase ownership in solar project to promote sustainable energy project and to earn profits to support programs.	Refinance	 
	Sts'ailes (BC)	\$2	Hydro project	Increase ownership in hydro project to promote sustainable energy project and to earn profits to support programs.	Refinance	 
		\$441			585	



Upcoming Financing for Wind Farm Project

- ~\$215M
- Wind Farm is currently operational
- Buyout of 50/50 partner
- Partner will continue to act as operator
- Capacity for 58.32 MW of renewable power
- Providing power to over 56,500 homes





Commercial Paper

\$400M

Increase Estimated:
July 2024

\$600M

Rating (DBRS): R-1 (Middle), Stable Trend

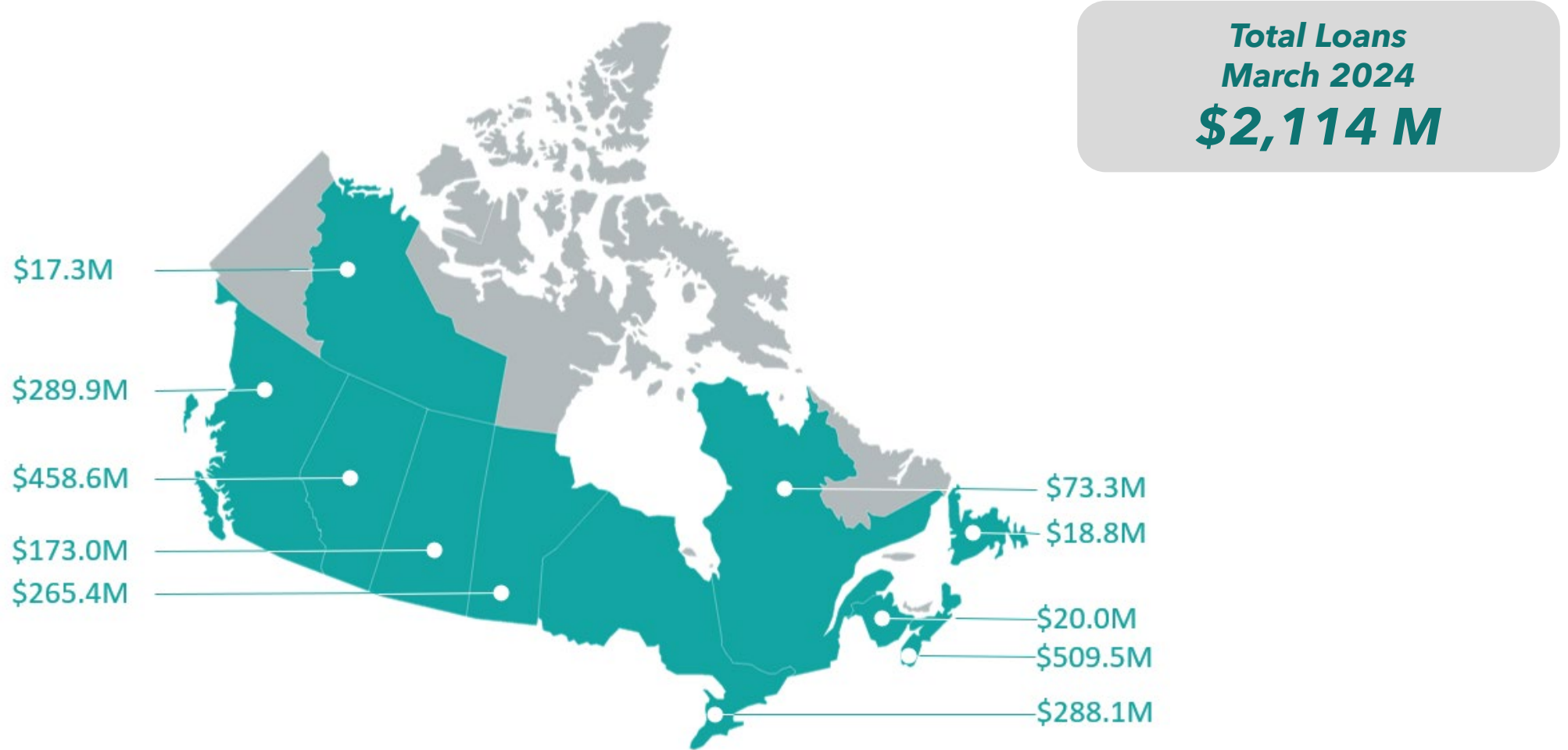
Security: Backstopped (1:1) by credit facility with syndicate of six Chartered Banks

Term: 28 days



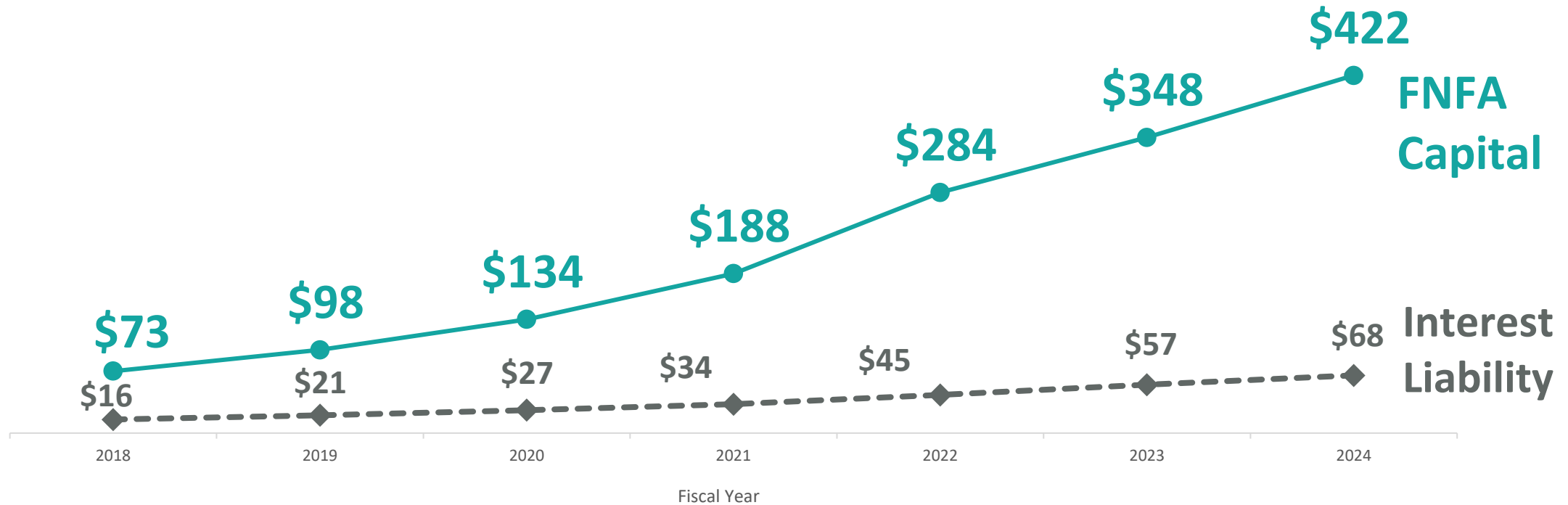
Loan Portfolio: Distribution

As FNFA's loan portfolio has grown, our geographic distribution has also developed.





FNFA Capital vs Interest Liability



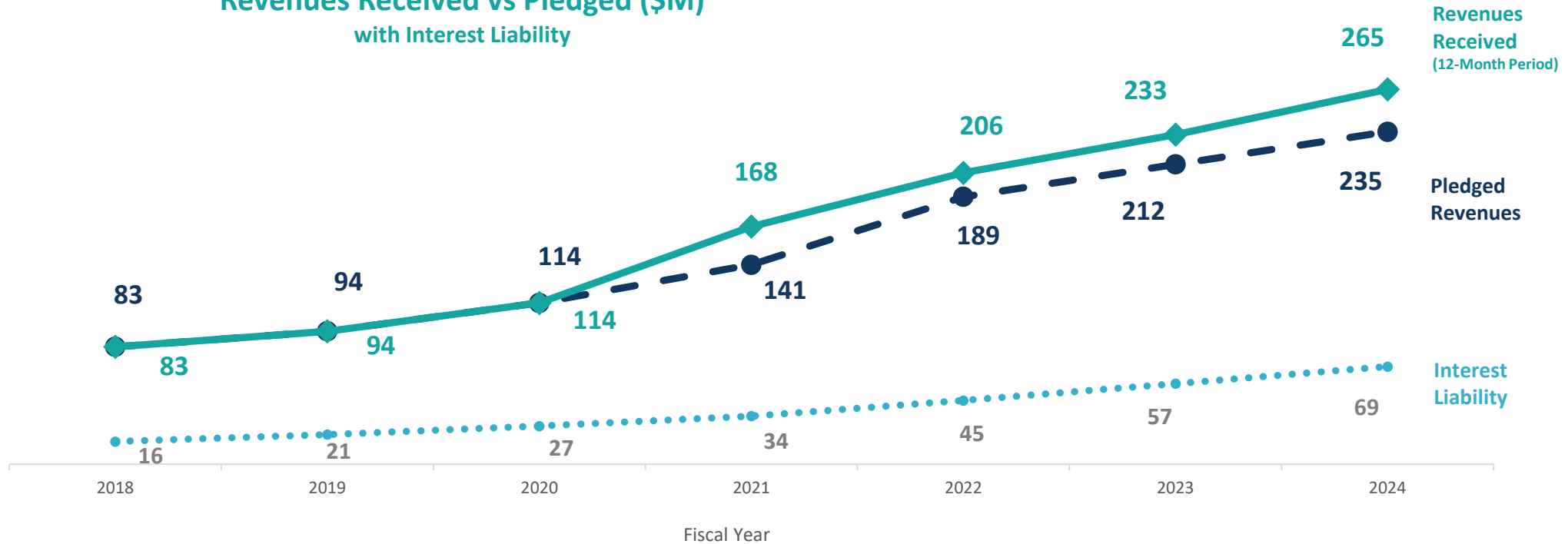
	2018	2019	2020	2021	2022	2023	2024
Debt Reserve Fund (DRF)	24,495,847	32,609,591	40,853,029	68,534,575	86,842,241	101,224,906	118,646,606
Sinking Fund (SF)	19,101,403	34,084,008	49,516,508	73,178,923	111,687,563	160,409,849	214,180,794
Credit Enhancement Fund (CEF)	30,000,000	30,529,075	42,529,075	45,499,543	53,162,938	53,162,938	53,162,938
Contingency Fund	-	-	-	-	32,489,084	33,665,353	35,540,219
Total FNFA Capital	73,597,250	97,222,674	132,898,612	187,213,041	284,181,826	348,463,046	421,530,557



Intercepted Revenues Supporting FNFA Loans

The Act mandates FNFA to intercept the revenue stream(s) supporting each loan.

Revenues Received vs Pledged (\$M)
with Interest Liability



	2018	2019	2020	2021	2022	2023	2024
Interest Coverage Ratio	5.19	4.48	4.22	4.94	4.58	4.09	3.65



Safeguards for Investors

1. FNFA's members are **Joint & Several** supporting annual debenture service payments.
2. FNFA's Act obligates the FNFA to **intercept the revenues** from the payor source (76% are Federal/Provincial).
3. DRF (**Debt Reserve Fund**): the Act obligates a 5% withholding from each loan issued.
4. CEF (**Credit Enhancement Fund**): Canada funded at \$53.2 M, backstops the Debt Reserve Fund.
5. NEW - **Contingency Fund** : A further \$32.5M provided to FNFA from Canada. This Fund provides 0% loans, and are outside the normal FNFA loan programs. To protect against senior government actions impacting revenue streams (i.e., COVID).
6. Mandatory **sinking funds** for each debenture.
7. Debentures are "**pari passu**" backwards and forwards.
8. FNFA's Board must be **unanimous** in approving each new member's loan requests.
9. FNFA annually **monitors** (trend lines and ratio analysis) members' financial performance and revenue intercept, etc.
10. FNFA has **intervention rights** over each member should a loan service not occur (see Note 12 below).
11. Section 13 (b) of the Securitization of Other Revenues Regulations states "**the rights and powers of the FMB (FNFA's sister organization) are to be read to include the power to act in place of the council of the First Nation (i) in relation to assets of the First Nation generating the other revenues, and (ii) ... to manage all other revenues of the First Nation**".
12. Section 13(b) includes intervention over revenues not intercepted, and all future revenue streams.
 1. Members' 2023 audited financial statements showed Operating Surpluses of \$971M, and
 2. Non-intercepted revenues of an additional \$2,085M.



FNFA and the International Market



Finance for the Future award:

- Entrants from the USA, Canada, Europe, New Zealand, Philippines, Tasmania, Mauritius, and Africa
- Promoting sustainability through finance and leadership initiatives
- Financing projects that have meaningful ESG impacts



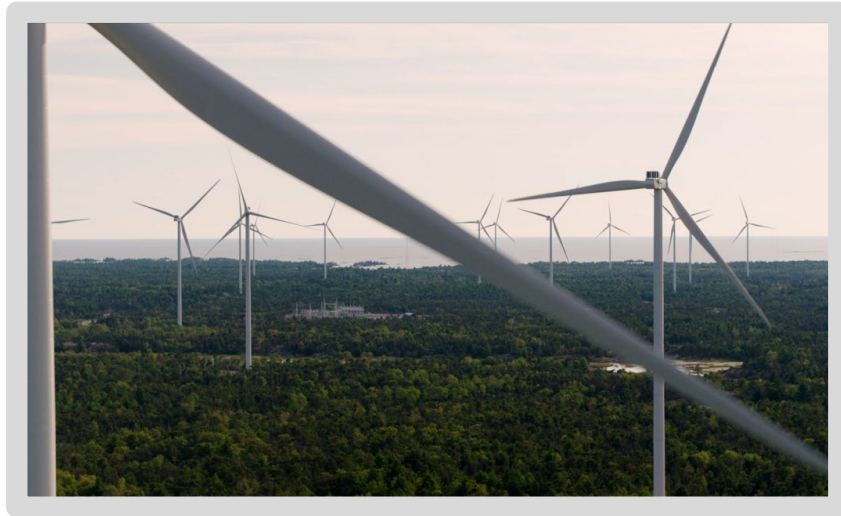
FNFA Credit History			
	S&P	Moody's	DBRS
2023	A+ Positive	Aa3 Stable	AA (low) Stable
2022	A+ Positive	Aa3 Stable	n/a
2021	A+ Stable	Aa3 Stable	
2020	A+ Stable	Aa3 Stable	
2019	A+ Stable	A2 Stable	



Green Energy Projects



Ocean Man First Nation Solar Project



Henvey Inlet First Nation Wind Farm



Taykwa Tagamou Nation Solar Project



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