Engagement Plan Fort Liard, NWT

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1.0 Introduction

Paramount Resources Ltd. (Paramount) is a leading, independent Canadian energy company that is focused on responsibly developing its world-class portfolio of diverse resource plays while consistently building value for shareholders. Paramount develops, produces and markets natural gas, oil and natural gas liquids in Alberta, British Columbia, Saskatchewan and the Northwest Territories. With daily production now nearing 100,000 Boe/d since the acquisition of Apache Canada Ltd. (ACL) and merger with Trilogy Energy Corp

Paramount holds mineral rights in the Liard area under several Significant Discovery Licences and Production Licences. These rights were acquired through several different corporate transactions, including but not limited to, oil and gas rights sales, farm-ins and purchases from other oil and gas companies. Most recently, through the acquisition of ACL, Paramount became the operator of Pointed Mountain and has recently transferred approvals related to those properties into Paramount's name.

As a result of the acquisition of these various rights, and numerous subsequent regulatory approvals, Paramount is an operator of oil and gas activity in the Liard Area of the Northwest Territories. Paramount divides the Liard area into four project areas: Liard West, Liard South, Liard East and Pointed Mountain. In appendix A of this document are maps for each project area, below is an overview of the project areas.

LIARD WEST

Paramount Resources Ltd. (Paramount) is the operator of the Fort Liard West Project. The Project is situated in the NT, roughly 35 km north of the BC / NT border. From the Fort Liard Project area, Fort Nelson, BC is located approximately 200 km to the south, Trout Lake, NT is located roughly 150km to the east and Nahanni Butte, NT is located approximately 100km to the north. The hamlet of Fort Liard, NT is located within the Project area.

The Fort Liard West Project encompasses all-season and winter access roads; well sites, pipelines, valve sites and gas dehydration facilities; a water disposal well at O-80; a repeater site; camp, decking and staging sites; and various borrow pits and sumps. Six natural gas wells (Paramount *et al* K-29A, 2K-29, 3K-29, M-25, 2M-25 and F-25a) on three lease sites (K-29, M-25 and F-25) are tied-in to a 37.2km main pipeline that connects the K-29 lease site to a facility at the abandoned/reclaimed BP Pointed Mountain plant site. The M-25 lease site is linked to the F-25 plant site via a 1.4 km pipeline lateral and the F-25 plant is linked to the main pipeline via a 3.3 km pipeline lateral. When active, produced water from wells on the K-29 and F-25 leases is transported via pipeline to an injection well located at O-80.

All project components have been built and the wells and pipelines in the Liard West Project are suspended, deactivated and/or decommissioned. Activity in the area has been limited in recent times to suspension activities, maintenance of access and monitoring. Future plans for the Liard West Project currently are undetermined and depend on future economic and political developments.

LIARD SOUTH

Paramount Resources Ltd. (Paramount) is the operator of the Liard South Project, which encompasses winter access roads; well sites, pipelines and processing facilities; barge, camp and decking sites; and various borrow pits, sumps and other clearings. Three wells (F-36, O-35 and N-01) are tied-in to the pipeline system, the main stem of which runs 26km from well site F-36 to a compressor station in British Columbia (Maxhamish d-36-I) and is known as the Shiha Pipeline (see Appendix A for Fort Liard South Asbuilt June 2017 map). This trans-border pipeline is operated by Shiha Energy Transmission Ltd., a partnership between the Acho Dene Koe Band and Paramount.

Poor economic conditions (*i.e.* low gas production rates and market value) prompted Paramount to suspend production late in 2007 and then to formally deactivate the project in April 2008 (according to National Energy Board (NEB) miscellaneous order MO-09-2008, which allows the deactivation of the pipeline until such time as the NEB approves its reactivation). In the 2016-2017 Paramount abandoned and decommissioned numerous sites. At this time, the Liard South Project is not operating except for ongoing surveillance and environmental monitoring.

LIARD EAST

Paramount Resources Ltd. (Paramount) is the operator of the Fort Liard East Project. The Liard East Project encompasses existing well sites, access, borrow pits, campsites, and sumps. The Liard East wells are not tied and in and have never produced. Liard East is comprised of seven well sites and associated infrastructure located at N-65, O-15, C-76, F-66, J-76, B-41, and C-02. In the winter of 2019/2020 J-76 was abandoned. No new drilling, production or other means for potential land disturbance are envisioned, further abandonment and reclamation activities will take place in the near future.

POINTED MOUNTAIN

The Former Pointed Mountain Gas Field (the Site) is located west of the Liard River within the Liard Range of the Franklin Mountains, approximately 30 km northwest of Fort Liard, NWT (Figure 1). The Site is located on Crown land and is an area of interest to the Acho Dene Koe First Nation (ADK). It includes former Plant Site, Airstrip, six abandoned gas well sites (A-1, A-2, A-3, A-4, B-1, and B-2), a disposal well, five water supply wells, numerous groundwater monitoring wells, pipelines and associated rights of way, and roads which provide access to the various locations. Equipment and material are transported to the Site via the barge landing on the north side of the Liard River (Figures 1 through 9). The Field was developed by Pan American (Amoco), which merged with BP Canada Energy (BP) in 1998; the assets were acquired from BP by ACL in 2010 and subsequently by Paramount from ACL in 2017.

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2.0 REGULATORY FRAMEWORK

In the Liard project area Paramount receives oil and gas approvals from the Office of the Regulator of Oil and Gas Operations (OROGO). The Mackenzie Valley Land and Water Board (MVLWB) regulates the use of land and water and the deposit of waste through the issuance of Land Use Permits (LUPs) and Water Licences (WLs).

On June 1, 2013 the MVWLB released its *Engagement Guidelines for Applicants and Holders of Water Licences and Land Use Permits,* this engagement plan is designed based upon the requirements of those guidelines and the regulatory mandate of the MVLWB.

2.1 ASSESSMENT PROCESSES

The Liard South, East and West fields have been the subject of several Environmental Assessment processes prior to licencing and permitting of activity. Assessment processes were conducted on Liard East, West and South. Some of the assessment processes were conducted prior to Paramount becoming the operator of a field: however, Paramount has assumed the outcomes and the responsibilities associated with those assessment processes since it has become the operator of a field. Examples of assessment processes are Environmental Assessment of the Ranger Oil Ltd., Canadian Forest Oil Ltd. and Chevron Canada Resources Ltd. P-66/N-61/K-29 Gas Wells and Pipeline Tie-in Fort Liard, NT and Paramount Resources Ltd. Liard East Exploratory Drilling EA00-003. Several the assessment processes are documented on the Mackenzie Valley Environmental Review Board's public registry at http://reviewboard.ca/registry/.

2.2 **ENGAGEMENT STUDIES**

In support and as outcomes of the above-mentioned assessment processes several engagement studies were conducted by Paramount and previous operators, they are listed in Table 1 below.

Table 1: Engagement Studies

Study Name	Field
Report on Traditional Knowledge of Natural and Cutural Resources in the Fisherman Lake and Liard Range Area, NWT. (June 18, 1999)	Liard West
Heritage Resources Impact Assessment, Fort Liard Drilling Project & NWT portion of Shiha Pipeline Project NWT (Archaeologist Permit 99-890)	Liard South

Heritage Resources Impact Assessment	Liard West
Assesment Final Report (Archaeologist Permit	
99-889)	
Socio-Economic Monitoring, Construction	Liard West
Phase Fort Liard Pipeline and Facilities Project	

2.3 **LICENCES AND PERMITS**

The Liard area has had activity pre-dating the creation of the MVLWB under the Mackenzie Valley Resource Management Act. Permits and licences from the MVLWB to Paramount date back to the year 2000. Permitting and licencing activities have continued through the life of the project areas at Liard and all three fields are in their third permit and licence cycle. These historical permits and licences had a much larger scope of activities associated with them then is approved currently. In the Table below is a listing of Paramount's previous LUPs and WLs in the Liard area.

Table 2: Historical LUPs and WLs

Liard South	Liard West	Liard East
MV2002A0038	MV2001P0097	MV2006A0022
MV2002L1-0004	MV2000L1-011	MV2006L1-0006
MV2009A0017	MV2002A0071	MV2006A0024
MV2009L1-0006	MV2002L1-0013	MV2006L1-0007
	MV2006P0021	MV2006A0026
	MV2006L1-005	MV2006A0025
		MV2000A0031
		MV2000L1-0006
		MV2000A0032
		MV2000L1A0080
		MV2001A0081

The above LUPs and WLs are publically available via the MVLWB Public Registry (http://www.mvlwb.ca/Boards/mv/SitePages/registry.aspx), including the engagement work associated with each LUP and WL. Examples of the consultation logs submitted in support of LUP and WL applications are in Appendix B.

Table 3 below lists Paramount's current LUPs and WLs for the Liard Project Area. Given the current state of the project (built and in some instances decommissioned and/or suspended) the scope of the LUPs and WLs are very limited. Activities contemplated include maintenance, access, suspensions and abandonments, reclamation and remediation. It is important to note that the National Energy Board is the regulator for the down-hole activities of suspension and abandonment: however, surface use, waste disposal and water use for these activities is within the jurisdiction of the MVLWB as well.

 Liard South
 Liard West
 Liard East
 Pointed Mountain

 MV2016A0010
 MV2013A0012
 MV2013A0013
 MV2014X011

 MV2016L1-0002
 MV2013L1-0003
 MV2020L1-0001 (applied for)

Table 3: Current LUPs and WLs

3.0 AFFECTED PARTIES ENGAGEMENT

An affected party is defined as "a party that is predicted to be affected by a proposed Project, such as an Aboriginal organization/government, an individual occupying land for traditional purposes, a private landowner, or lease holder (e.g., for a lodge)." As previously stated and is evident on the public registries of the MVEIRB and MVLWB, Paramount's Liard Projects have a long and extensive engagement history. Paramount's level of engagement with affected parties has been and will continue to be reflective of its activity level in the area. Prior to and during construction and development activities engagement activities were more frequent and intense and included studies, community meetings, open houses, meetings with Chief and Councils, telephone calls and both written and electronically notifications. As the activity in the Project areas have declined the frequency and magnitude of engagement has followed suit.

3.1 LIST OF IDENTIFIED AFFECTED PARTIES

In Table 4 below is a list of identified affected parties for the Liard project areas:

June 5, 2018 https://glwb.com/sites/default/files/mvlwb_engagement_and_consultation_policy_-_nov_25_19.pdf

¹ Engagement and Consultation Policy

Table 4: Stakeholders for the Liard Project Areas

Stakeholder	Contact Person(s)	Contact Information
Acho Dene Koe First Nation	Chief Gene Hope	General Delivery,
	·	Fort Liard, NT
		XOG 0A0
		867-770-4571
		chief@adkfirstnation.ca
		62 Baker Street
		Guelph, Ontario
Acho Dene Koe First Nation	Director: Scott Mackay	N1H 4G1
Land Services c/o Shared	Manager: Meghan Buckham	226-706-888
Value Solutions		(ext. 102 and 108)
		lands@adkfirstnation.ca
Acho Dene Koe Corporate	President Barney Dohm	General Delivery,
Group		Fort Liard, nT
		XOG 0A0
		867-770-4571
		Barney Dohm
		BarneyDohm@adkcorporate.ca
		PO BOX 89
		Fort Simpson, NT
Dehcho First Nations	Grand Chief Gladys Norwegian	XOE ONO
	and Resource Mangement	867-695-2610
	Coordinator Dahti Tseto	dahti_tetso@dehcho.org
		PO BOX 958
_		High Level, AB
Dene Tha First Nation	Chief James Ahnassay	T0H 1Z0
		780-926-2422
		James. Ahnassay@denetha.ca
		PO Box 120
	Fred Didzena	Chateh, AB
Dene Tha First Nation	Director of Lands Department	TOH OSO
		780-321-3774
		Fred.Didzena@denetha.ca
		General Delivery
Hamlet of Francis	Massan Hills of Day	Fort Liard, NT
Hamlet of Fort Liard	Mayor Hilary Deneron and	XOG 0A0
	Senior Administrative Officer	867-770-4104
	John McKee	web@fortliard.com
		sao@fortliard.com
		PO Box 10
Sambaa K'e First Nation	Chief Dolphus Jumbo	Trout Lake, NT

		X0E 1Z0
		Tel: (867) 206-2800
		chief@sambaakefn.com
		PO Box 10
6 1 1/4 5:	lossica lumba	Trout Lake, NT
Sambaa K'e First Nation	Jessica Jumbo	X0E 1Z0
	Environmental Coordinator	Tel: (867) 206-2800
		environment@sambaakefn.com
		PO Box 10
	Duby lumbo	Trout Lake, NT
Sambaa K'e First Nation	Ruby Jumbo Executive Director	X0E 1Z0
	Executive Director	Tel: (867) 206-2800
		manager@sambaakefn.com
	Christine Wenman	1st Floor, 4501 – 50th Avenue
Sambaa K'e First Nation	Lands, Resources and	Yellowknife, NT
(Planit North Inc.)	Environment Advisor	Tel: (867) 445-4127
	Environment Advisor	christine@planitnorth.ca
		PO Box 10
		Trout Lake, NT
Sambaa K'e Development	Brenda Jumbo	X0E 1Z0
Corporation	Manager	Tel: (867) 206-2800
		sdkcorp@yahoo.ca

3.2 ONGOING ENGAGEMENT

Paramount does not have a high level of activity planned for the Fort Liard project areas, as a result, ongoing engagement activities are expected to be limited. As a result, engagement activities for MVLWB regulated activities are expected to be limited over the course of the current LUPs and WLs terms. Contemplated activities and the associated engagement are outlined in Table 5 below. The ordering of Table 5 is sequential from the most likely to least likely activity.

Table 5: Activities Requiring Engagement

Activity	Potential Issue(s)	Planned	Planned Engagement
		Engagement	Follow-up
LUP(s) Extension Request and Replacement Applications	Paramount's short and long-term plan for the project area(s)	Written Notification	Telephone Calls and Electronic correspondence
WL(s) Term Amendment and Replacement Applications	Paramount's short and long-term plan for the project area(s)	Written Notification	Telephone Calls and Electronic correspondence

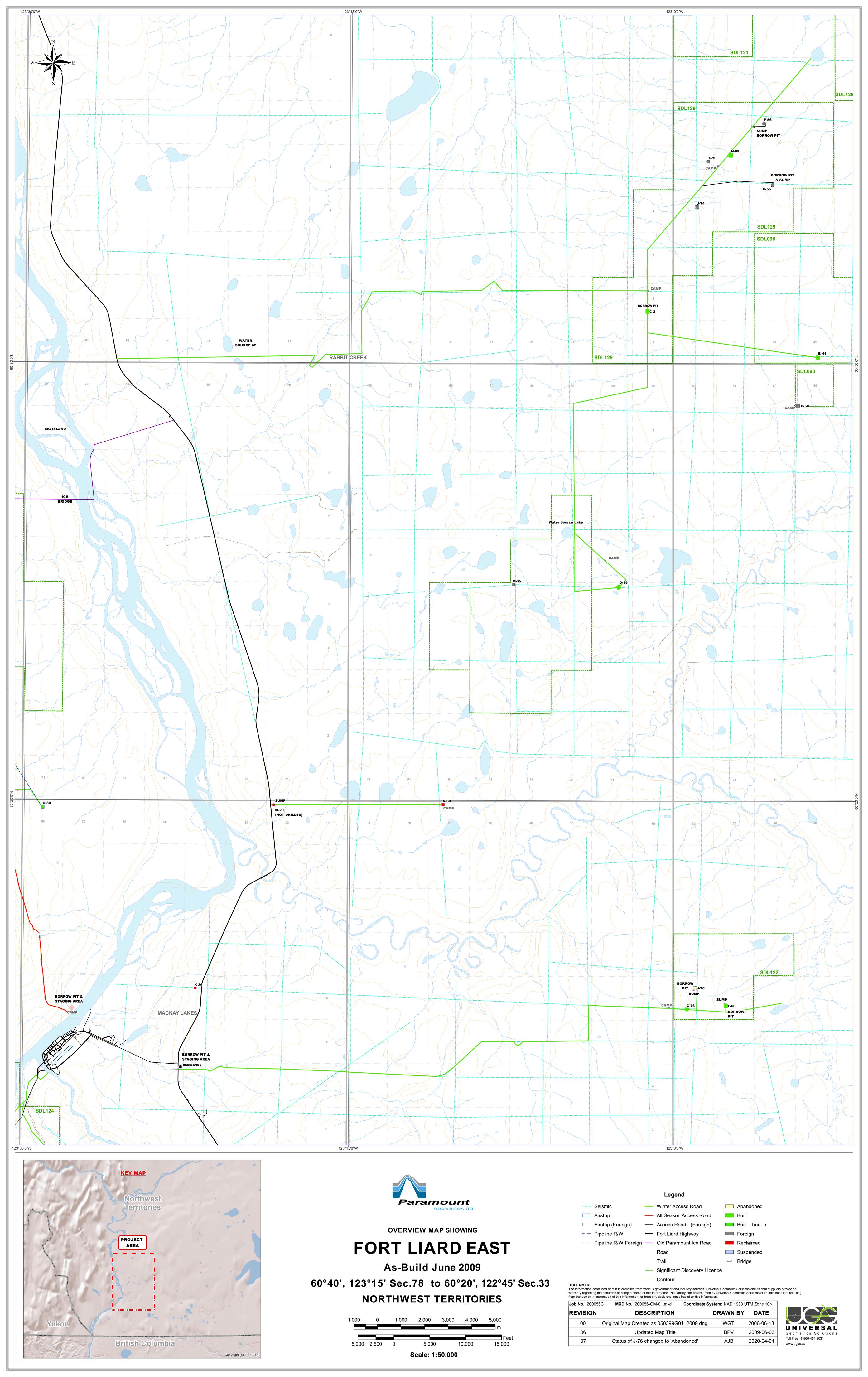
Maintenance Activities	Timing and Contracting	Written Notification	Telephone Calls and
	opportunities		Electronic correspondence
OROGO Authorized Oil	Timing and Contracting	Written Notification	Telephone Calls and
and Gas Activities	opportunities		Electronic correspondence
Reclamation and	Timing, techniques,	Written Notification,	Telephone Calls and in
remediation planning and	technology and	electronic	person (face to face and
activities	contracting opportunities	correspondence,	virtual) meetings
		MVLWB regulatory	
		process	

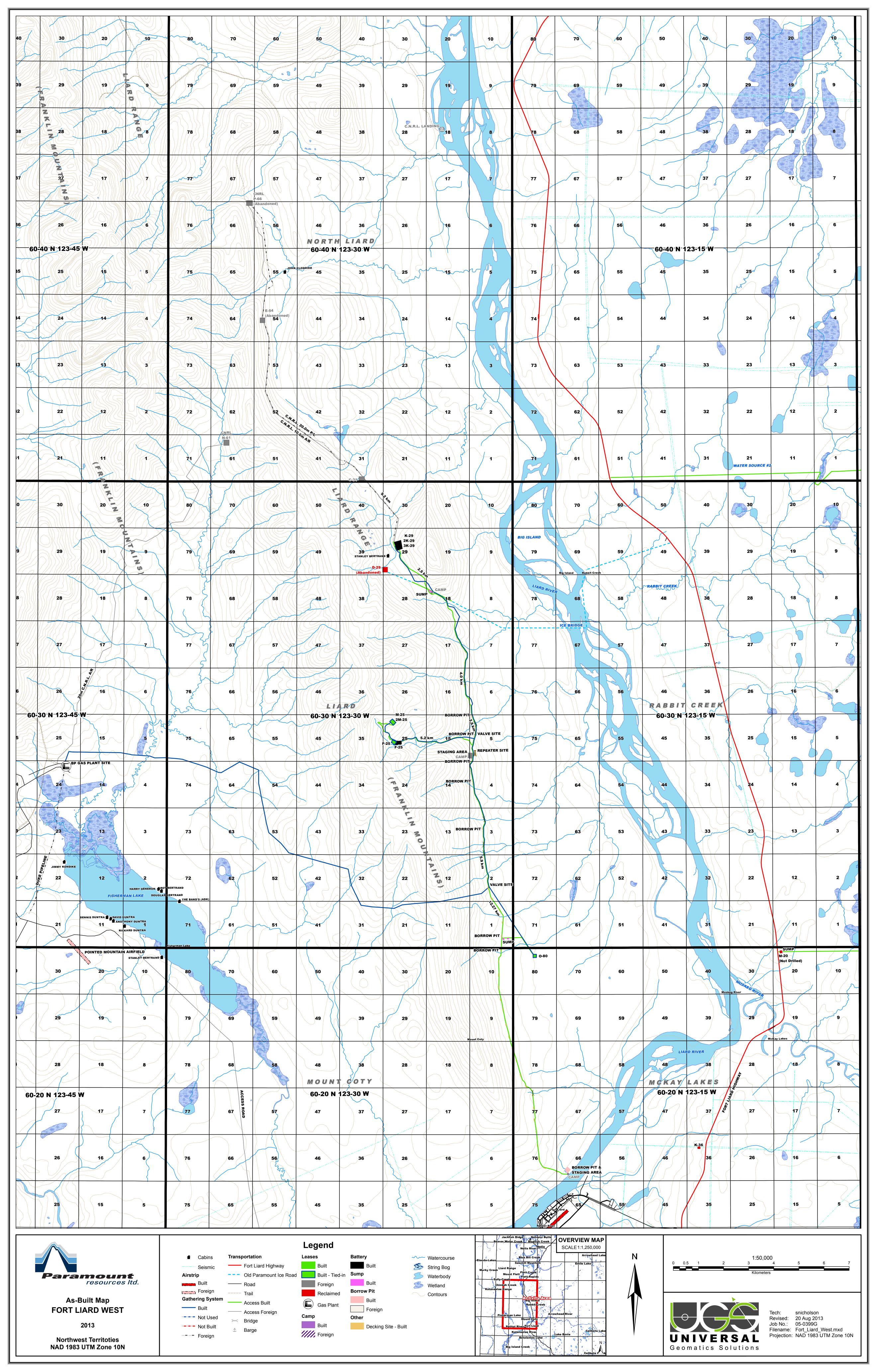
Ongoing engagement is expected to continue with all the affected parties identified in Table 4.

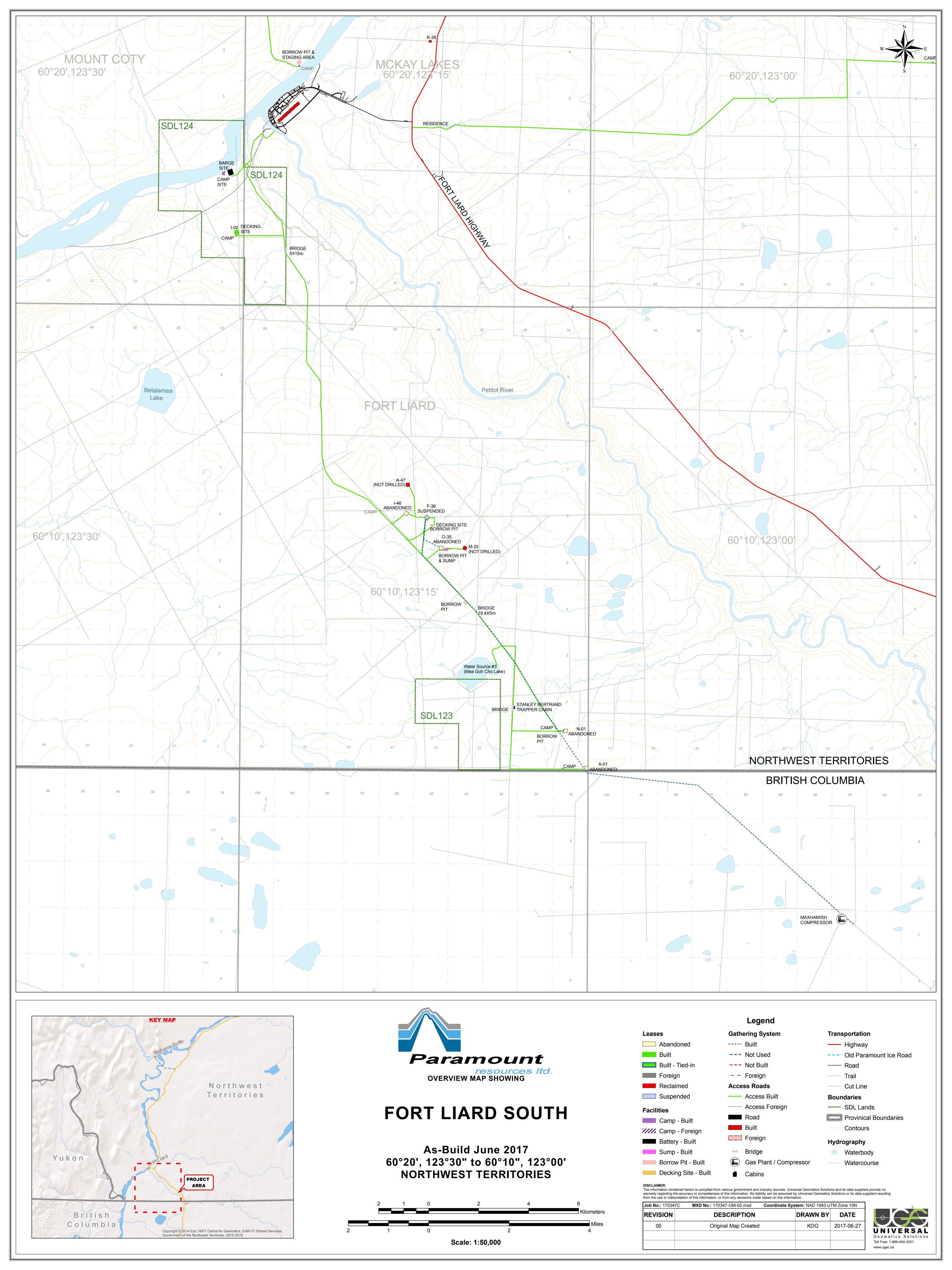
4.0 CONCLUSION

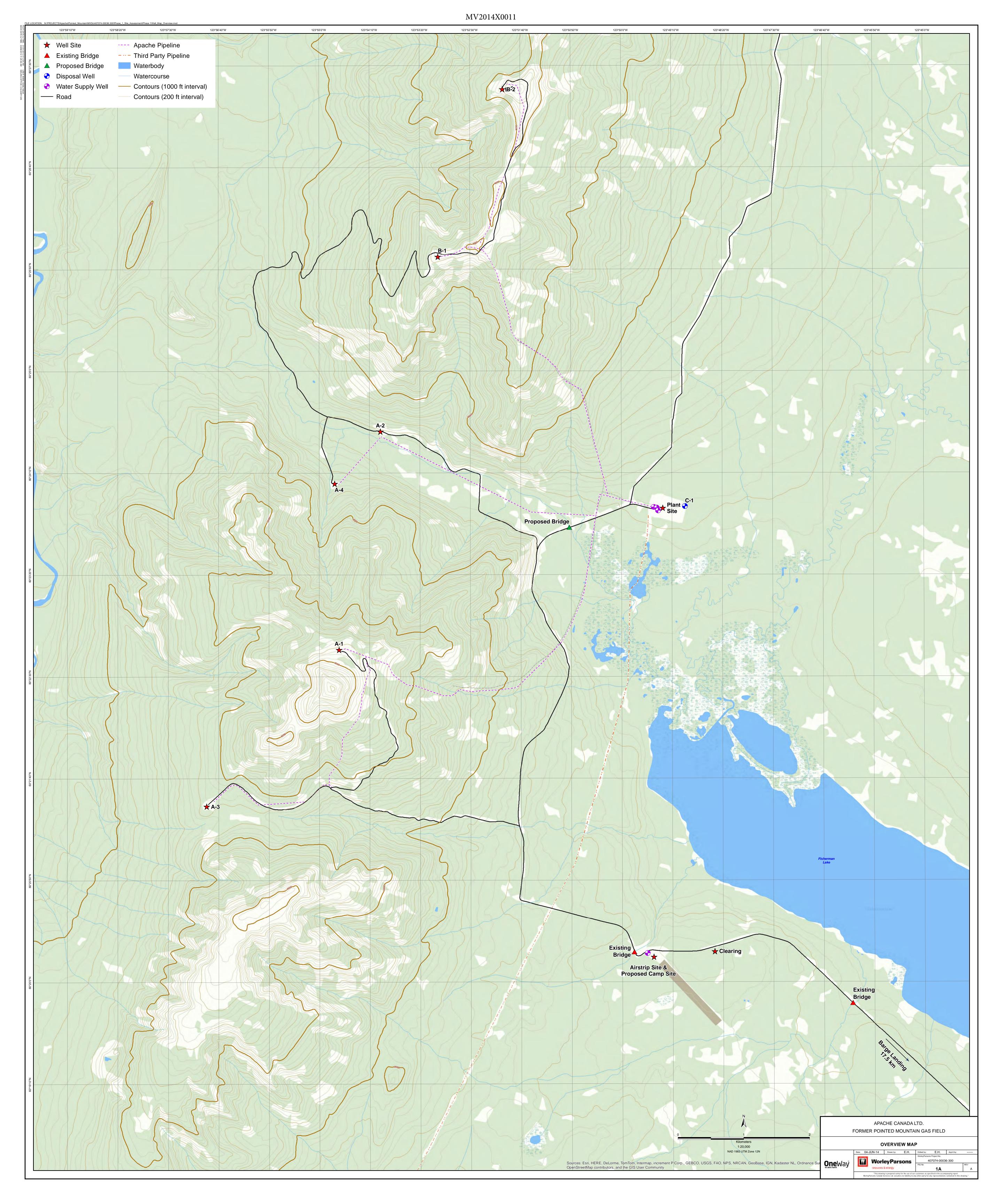
Paramount will continue to engage affected parties through the remaining life of its current LUPs and WLs and throughout the remaining life of the Liard Project areas. In support of regulatory submissions to the MVLWB Paramount will continue to provide documentation of Paramount's engagement activities relating to the MVWLB regulatory authority.

5.0 APPENDIX A: AS BUILT MAPS









6.0 APPENDIX B: CONSULTATION LOGS

Contact	Contact Method	Date	Summary of Discussion
List of Stakeholders identified in the Pointed Mountain			Paramount Resources Ltd. ("Paramount") sent out a notification package email to stakeholders to inform
Engagement Plan	Email	January 7, 2019	them that Paramount would be moving forward an extension for Land Use Permit MX20140011.
			Paramount contacted Julie and she requested a call back later in the day, Paramount called back later and
Julie Swincoe, Landmark Resource Management Ltd.	Phone Call	January 21, 2019	left a message. Julie called Paramount back and left a message.
Chief Gene Hope, Acho Dene Koe	Phone Call	January 21, 2019	Paramount called and left a message for Chief Gene Hope
			Paramount called and talked with Tim Herron. Paramount provided an overview of how it acquired
			Pointed Mountain, scope of the Land Use Permit and where the project was in its life cycle. Tim informed
			Paramount that leadership was very busy with the Land Claim and going forward matters related to this
Tim Herron, Northwest Territory Metis Nation	Phone Call	January 21,2019	file could be sent solely to him.
			Paramount called Julie and discussed the extension. Paramount noted that it had a message in with Chief
			Hope, Julie stated the Chief was busy with Land Claim matters. Julie requested the extension letter be
			sent to adkfn@landmarkrm.com as that address goes to multiple people at Landmark Resource
			Management Ltd. Julie stated that if they had any comments or questions they would provide them in the
Julie Swincoe, Landmark Resource Management Ltd.	Phone Call	January 22, 2019	coming weeks or when the extension request was placed on the registry.
adkfn@landmarkrm.com	Email	January 22, 2019	As requested Paramount sent the notification package to the email provided.
List of Stakeholders identified in the Pointed Mountain			Paramount sent out an engagement package to start the process of obtaining a new Land Use Plan and
Engagement Plan	Email	July 2, 2019	Water Licence for the Pointed Mountain project
			Paramount called and spoke with Chief Gene Hope following up on the engagement package. Chief Hope
			informed Paramount that Chief and Council would be discussing it this evening and he would be discussing
			1
Chief Canallana Asha Dana Kan	Dhana Call	Luk 15 2010	it with their consultants on Tuesday. Paramount stated that they were available if any questions or
Chief Gene Hope, Acho Dene Koe	Phone Call	July 15, 2019	concerns were raised and a further information package would be distributed at the end of the month.
			Paramount called and talked with Tim Herron. Paramount provided an overview the scope of the Land Use
			Permit and where the project was in its life cycle. Tim was happy to hear about reclamation happening.
			Tim asked about the water source (Liard River) and volumes. Paramount stated the volumes would be low
Tim Herron, Northwest Territory Metis Nation	Phone Call	July 15, 2019	and mostly related to camp use.
			Paramount called Julie and discussed the engagement package. Paramount noted that it had spoken with
			Chief Hope. Paramount stated it would be sending out further information at the end of the month. If
			ADKFN or Landmark had any questions they could contact Paramount at any time and would have further
Julie Swincoe, Landmark Resource Management Ltd.	Phone Call	July 15, 2019	opportunities to comment during the regulatory process.
List of Stakeholders identified in the Pointed Mountain	Thoric can	July 15, 2015	Paramount sent out a second engagement package to continue the process of obtaining a new Land Use
Engagement Plan	Email	August 9, 2019	Plan and Water Licence for the Pointed Mountain project
Linguage ment rian	Liliali	August 3, 2013	i fair and water bleence for the Fornted Modificant project

Chief Gene Hope, Acho Dene Koe	Phone Call	September 5, 2019	Paramount called and left a message on the executive assistants voice mail for Chief Gene Hope following up on the engagement package.
Julie Swincoe, Landmark Resource Management Ltd.	Phone Call	September 5, 2019	Paramount called Julie and discussed the engagement package. Paramount noted that it had left a message for Chief Hope. If ADKFN or Landmark had any questions they could contact Paramount at any time and would have further opportunities to comment before or during the regulatory process.
Christine Wenman, Planit North on behalf of the Sambaa K'e Dene Band	Email	May 28, 2020	Christine of Planit North contacted Paramount seeking information and requesting a virtual meeting on behalf of SKFN to discuss Celibeta and Paramount's other Liard projects. Paramount responded by providing information and suggested the afternoon of June 5th.
Christine Wenman, Planit North on behalf of the Sambaa K'e First Nation	Email	June 3 and June 4 2020	Christine of Planit North contacted Paramount to confirm the meeting and provide an agenda. Following up emails were exchanged to confirm zoom as the medium for the disucssion.
Christine Wenman, Planit North on behalf of the Sambaa K'e Dene Band	Email	June 3 and June 4 2020	Christine of Planit North contacted Paramount to confirm the meeting and provide an agenda. Following up emails were exchanged to confirm zoom as the medium for the disucssion.
Chief Jumbo, Councillor J. Junbo, Councillor T. Jumbo and Ruby Jumbo on behalf of the Sambaa K'e First Nation and Christine Wenman, Planit North	Virtual Meeting	June 5, 2020	SKFN and Paramount held a Zoom meeting. After introductions, Chief Jumbo provided some opening remarks touching on the environment, area of interest and socio-economic opportunities. Paramount provided an overview presentation that gave an update on Celibeta, Liard East, Liard West, Liard South and Pointed Mountain. The presentation provided the current state of the project and the current regulatory approvals. SKFN then asked some questions related SDL 002 (operated by Suncor but Paramount has a working interest), contracting/employment activities, training opportunities, vegetation size on the Celibeta right of way and lease and environmental monitoring. Paramount answered or partially answered the questions and then stated they would follow up on the remaining questions and/or provide additional details. SKFN requested the Celibeta Closure and Reclamation Plan prior to sunmission to the MVLWB, Paramount stated they had a June 30 Deadline and were unsure if the Plan would be completed much before that deadline.
Chief Jumbo, Jessica Jumbo and Ruby Jumbo on behalf of the Sambaa K'e Dene Band and Christine Wenman, Planit North	Email	June 8 2020	Paramount sent an email as follow up from the June 5th call attaching a PDF version of the presentation. Also, the information regarding requirements for labour work was included. Paramount stated it hoped to have the support letter and contracting information later in the week.
Chief Jumbo, Jessica Jumbo and Ruby Jumbo on behalf of the Sambaa K'e First Nation and Christine Wenman, Planit North	Email	June 8 2020	Paramount sent an email as follow up from the June 5th call attaching a PDF version of it's contracting terms and conditions. Also, the information regarding requirements for contractors was included.

Christine Wenman, Planit North on behalf of the Sambaa K'e First Nation	Email	June 9 2020	Ms. Wenman emailed Paramount a letter following up from the virtual meeting signed by Chief Jumbo. It included four requests from SKFN to Paramount: #1. Update and expand SKFN representatives' contact information and use the name Sambaa K'e First nation. #2. Commit to a brief (~2 hour) face to face meeting twine annually, which can be done virually by tele/video conference. #3. Commit to exploring all opportunities to have our Member representatives visit sites during field activities, at least once per field season. #4. Invite an SKFN member to join during helicopter inspections of the Celibeta site,
Chief Jumbo, Jessica Jumbo and Ruby Jumbo on behalf of the Sambaa K'e Dene Band and Christine Wenman, Planit North	Email	June 19 2020	Paramount sent an email with letter attachment responding to the June 9 2020 letter. Paramount touched on the 4 issues raised encouraging SKFN to engage with OROGO and GNWT regarding site visits. Paramount expanded the contact list for SKFN in the Celibeta engagement plan. Paramount suggested calls on an as needed basis due to the potential of low activity levels at the project areas.