



ANNUAL



REPORT

SHARING SUCCESS

2007-2008

ACHIEVING EXCELLENCE



(Back left to right): 2007 BUSINESS OF THE YEAR – TOURISM AWARD OF EXCELLENCE, VOLUNTEERISM AND COMMUNITY SERVICE AWARD – CANADIAN GAMING ASSOCIATION, 2007 BUSINESS OF THE YEAR – SASKATCHEWAN BUSINESS MAGAZINE, (Front left to right): NATIVE AMERICAN CASINO MAGAZINE – COVER STORY (DAKOTA DUNES CASINO), SASKATCHEWAN BUSINESS MAGAZINE – COVER STORY (2007 BUSINESS OF THE YEAR)

OUR JOURNEY FORWARD

In the early 1990s, the First Nations leaders of Saskatchewan saw the gaming industry as an economic opportunity – one that would create a better tomorrow for its people.

RCMP officers shut down the Bear Claw Casino on White Bear First Nation near Carlyle, SK, in 1993. This raid was the start to what was a highly contentious and emotional part of the history between First Nations and the provincial government regarding gaming in Saskatchewan. Ultimately it was resolved through an exemption by the federal government, which led to the provincial 1995 Gaming Framework Agreement, and hence, SIGA was born.

By 1995, the Federation of Saskatchewan Indian Nations (FSIN) reached an agreement with the Province of Saskatchewan. In that same year, SIGA was incorporated as the proponent for First Nations gaming in Saskatchewan.

With approximately 500 employees and limited resources, SIGA opened four properties across Saskatchewan in its inaugural year (1996) with the assistance of its First Nations owners:

- Gold Eagle Casino, North Battleford
OPENED MARCH 1, 1996
- Northern Lights Casino, Prince Albert
OPENED MARCH 7, 1996
- Bear Claw Casino, White Bear First Nation
OPENED NOVEMBER 12, 1996
- Painted Hand Casino, Yorkton
OPENED DECEMBER 14, 1996

Eleven years later, SIGA opened its 5th casino, the Dakota Dunes Casino (Saskatoon), on August 10, 2007. Over 10,000 patrons visited the casino on opening day.

Meanwhile, SIGA will be opening a sixth casino, the Living Sky Casino in Swift Current, in December 2008. As part of SIGA's reinvestment program, the organization with its business partners is rebuilding in the Yorkton market, enhancing its product offering at the new Painted Hand Casino in early 2009.

In just 12 years, SIGA has grown into the leading First Nations economic enterprise in Saskatchewan, with revenues in excess of \$191M and an employee base of well over 1,700.

CORPORATE OVERVIEW

Operating in a highly regulated and rigorous environment, SIGA's gaming operations are a revenue source for Saskatchewan's First Nations, the Provincial Treasury (General Revenue Fund), and Community Development Corporations situated in five casino locations.

As the operator of five First Nations casinos in Saskatchewan, SIGA is responsible for the daily management and operation of accounting and auditing systems, the conduct of casino activities, the procurement and maintenance of gaming equipment and the casino's game delivery, in addition to security and surveillance.

SIGA operates: Bear Claw Casino (White Bear), Dakota Dunes Casino (Whitecap Dakota First Nation/Saskatoon), Gold Eagle Casino (North Battleford), Northern Lights Casino (Prince Albert) and Painted Hand Casino (Yorkton). SIGA will also expand into the Swift Current market (Living Sky Casino) in December 2008 and plans to open a new Painted Hand Casino in early 2009.

With approximately 1,700 employees, SIGA casinos entertain almost three million guests annually. SIGA is currently ranked in Saskatchewan's top 40 companies with revenues exceeding \$191M.



MESSAGE FROM FSIN

The Saskatchewan Indian Gaming Authority continues to meet the mandates set out by the Chiefs of Saskatchewan. The First Nations owned and operated gaming company has created hundreds of jobs and generated a positive revenue stream for our First Nations communities.

In 2007/08, SIGA employed over 1,100 First Nations people in all levels of the organization. SIGA has generated over a billion dollars in net revenues and more than \$320M in profits since its inception in 1996. The organization has been a very successful First Nations enterprise.

It is my pleasure to respectfully submit the Annual Report of the Saskatchewan Indian Gaming Authority Inc. for the year ended March 31, 2008.

– Chief Lawrence Joseph

Federation of Saskatchewan Indian Nations



MESSAGE FROM THE VICE CHIEF

The growth and ultimately the success of the Saskatchewan Indian Gaming Authority have resulted in new business and economic development opportunities for Saskatchewan's First Nations. Millions of dollars have flowed into our First Nations communities directly from gaming profits. I'd like to congratulate the 1,700 SIGA employees for another terrific and most memorable year.

Under the terms of the 2002 Gaming Framework Agreement (GFA), the Federation of Saskatchewan Indian Nations (FSIN) and the Provincial Government review the agreement every five years. In September 2007, a new deal was reached. Through the revised agreement revenue sharing formula, First Nations Trust receives 50 per cent of the net profits, an increase from 37.5 per cent. Of the remaining gaming profits, 25 per cent will be directed to the Province's General Revenue Fund, and the remaining 25 per cent will continue to be allocated to Community Development Corporations (CDCs).

In addition, a revised casino operating agreement has been developed which includes a new Board of Directors. This new process has begun and the structure includes representation from the Tribal Councils and independent bands consisting of thirteen board members. As stewards of the organization, these representatives will continue to move SIGA in a very positive direction.

As Chair of the Economic Development Commission for the Federation of Saskatchewan Indian Nations, I am pleased to submit the Saskatchewan Indian Gaming Authority Inc. Annual Report for the year ended March 31, 2008.

A handwritten signature in black ink, reading "Morley Watson". The signature is stylized with a large, flowing "M" and "W".

— Vice Chief Morley Watson

Federation of Saskatchewan Indian Nations



MESSAGE FROM THE CHAIRPERSON

It's a privilege and an honour to chair the Saskatchewan Indian Gaming Authority Board of Directors. Through the delivery of an excellent entertainment product, comfortable and attractive facilities and over 1,700 dedicated employees, the company continues to play a vital role in providing positive financial returns for First Nations people and the people of Saskatchewan.

In 2007/08, a strong focus was placed on developing our people resources, expansion into a new market and reinvesting in our facilities. In fact, others took note and SIGA was honoured with the 2007 Business of the Year by both SaskBusiness Magazine

and Tourism Saskatchewan. We are truly proud of this accomplishment for our management and staff at our five First Nations casinos in Saskatchewan.

Further, SIGA received national recognition for governance excellence this year, placing in the top three nationally at the Conference Board of Canada's Governance of Excellence awards in the non-profit sector. SIGA was noteworthy not only for policies and procedures that are consistent with best business and governance practices in Canada, but also for aligning these best practices with our five guiding principles and retaining our culture and identity as a First Nations organization.

I am encouraged by the organization's strategic and business plans, placing an emphasis on reinvestment, new opportunities through new gaming and expanded entertainment products. As stewards of the organization, we, the Board, are committed to using our experiences, skills and talents to assist the management team and the rest of the company to build on the remarkable successes and achievements of 2007/08.

A handwritten signature in black ink, appearing to read 'Ray Ahenakew'.

— Ray Ahenakew
SIGA Board Chair

2008 CONFERENCE BOARD OF CANADA/SPENCER STUART NATIONAL

SIGA was recognized by the Conference Board of Canada: Top 3 for Non-Profit sector.

" SIGA has developed a governance framework with policies and procedures that are consistent with best business and governance practices in Canada. However, more importantly, they also align with the organization's five guiding principles, allowing it to retain its identity and culture as a First Nations business."



MESSAGE FROM THE PRESIDENT & CEO

Over the past 11 years, the Saskatchewan Indian Gaming Authority has demonstrated the ability to adapt to change, positioning itself as a leader in First Nation gaming in North America. We have become a symbol of business excellence in gaming and entertainment in the province of Saskatchewan.

This year, the board laid out a strategic plan focusing on the following areas: serving our people, growing our business, demonstrating integrity and transparency and enhancing corporate relations.

These priorities define key business performance areas and establish a strategic decision-making framework for SIGA. It is management's responsibility to design and implement initiatives and to create/acquire the assets and competencies to initiate and sustain progress in these areas. This strategic plan outlines the initiatives and projects designed by management to accomplish this.

Serving our people

SIGA offers a nurturing and helpful corporate environment assisting new employees in the development of careers and supporting their career goals. We recognize that by satisfying the needs of our employees, we are in a better position to provide the customer service that our patrons have come to expect when visiting our casinos. SIGA provides employees with career counselling, health and wellness opportunities, Employee Family Assistance as well as team building exercises and leadership training to ensure our employees are engaged and are offered an opportunity to learn. According to employee satisfaction survey results conducted in early 2008, 85% of our employees are generally satisfied with their employment at SIGA. We feel proud knowing our employees are satisfied, but at the same time realize that we can do more, particularly in an increasingly competitive marketplace.

SIGA takes pride in cultivating a high level of guest satisfaction. We want to provide our guests with the very best entertainment experience through a unique offering of traditional First Nations hospitality and service. SIGA is also committed to a reinvestment program to ensure our facilities and ancillary services exceed the expectations of our guests. Almost 3M guests passed through the doors in 2007/08 and another 30,000 individuals joined our Players Club, which is an example of patron loyalty and most importantly demonstrates that SIGA is serving its people.

Growing Our Business

SIGA is currently undergoing its most aggressive expansion since its inception in 1996. In partnership with the host Tribal Council, SIGA opened the new \$61M Dakota Dunes Casino ahead of schedule and under budget on the Whitecap Dakota First Nation. This was a major accomplishment for the organization as over 10,000 people filed through the doors during the first day of operation. This was a very exciting time for the organization and the SIGA staff deserve a commendation for the countless hours of preparation which were invested in getting the facility open. We appreciate the efforts of our staff through this very busy period.

SIGA also began construction of a new facility in Swift Current to serve the southwest Saskatchewan market. A ground breaking ceremony was held in April to kick off the construction phase. I am pleased to report that good progress was made throughout the year and we expect to have the new casino and performing arts centre open before the New Year. In addition, excellent progress has been made on the rebuild of the Painted Hand Casino in Yorkton, our first significant reinvestment project. SIGA will continue to reinvest in its current facilities establishing ourselves as a leader in the gaming industry. This allows us to keep our product looking new and attractive. The results are increased visitation and record revenues of over \$191M. We understand the importance of diversity and are constantly researching avenues to support new lines of business such as full functioning entertainment rooms.

SIGA is committed to utilizing First Nations capital assets. The procurement department from SIGA toured the province visiting Tribal Councils and local representatives, providing information on how suppliers can conduct business with us and the products SIGA requires as a multi-million dollar business. This demonstrates how SIGA is working towards supporting First Nations businesses.

Demonstrating Our Integrity/Transparency

The Saskatchewan Indian Gaming Authority has established strong Corporate Governance practices. In fact, the organization was recognized by the Conference Board of Canada (Top 3 for Non-Profit sector) as having developed *a governance framework with policies and procedures that are consistent with best business and governance practices in Canada*. The company has an excellent management team and has effective internal controls in place.

Having achieved the benchmarks as set out in 2000 Casino Operating Agreement, the chapter on compliance has drawn to a close. We are very proud of this accomplishment and the staff need to be commended for their commitment to accountability, so SIGA is able to move forward with the appropriate controls in place. In the future, it will be up to us to monitor ourselves against those benchmarks through the internal audit process.

SIGA began the process of implementing Enterprise Resource Planning (ERP) software, which will combine the data of formerly separate applications. This integration enables us to automate and integrate our business processes to share common data and practices across the entire organization and to produce and access information in a real-time environment enabling more timely and accurate decisions.

SIGA continues to refine a corporate wide performance measurement method appropriate for the company. Our organization will continue to maintain a high standard of corporate accountability through best business practices.

Enhancing Corporate Relations

The company continues to build trust and support in the First Nations and non First nations communities across Saskatchewan. We have strengthened our corporate image and increased our profile largely due to an effort to reach out. Each year, we invest more than \$1.3M in various community groups and initiatives through our community relations sponsorship program. That's in addition to the 25 per cent of casino profits that are directed to regional Community Development Corporations that support numerous programs and initiatives. A conscious effort has been made to branch out and by getting involved not only through monetary support, but through an expanding community relation volunteer program. SIGA is recognized as a caring organization that gives back to the community.



EXECUTIVE TEAM (back left to right): RICHARD AHENAKEW, EDWARD LITTLECHIEF, GARY DANIELS, DEAN HARTLEY, LIONEL TOOTOOSIS, PAUL NEWTON, HOWARD CAMPBELL (front left to right): VANCE MCNAB, KELLY ATCHEYNUM, PATRICIA COOK, ZANE HANSEN, ELMA SHOULAK, BONNIE MISSENS, CURTIS STANDING, VERN ACOOSE

Enhancing Corporate Relations continued...

SIGA has made a strong commitment to responsible gaming. Our strategy includes various levels of training for everyone within the organization from front line employees to senior management. We have worked collaboratively with Manitoba Lotteries in establishing a framework which will also include awareness programs in the form of informational kiosks at our casinos. \$2.25M is invested annually into the First Nations Addictions and Rehabilitation Foundation to support gambling addictions programming in the areas of education, prevention and treatment within our communities.

The organization has been in the practice of establishing good corporate relations in Saskatchewan. This has resulted in the formulation of new partnerships. In fact, SIGA has active participation on numerous boards and committees including Tourism Saskatchewan and the Saskatchewan Chamber of Commerce.

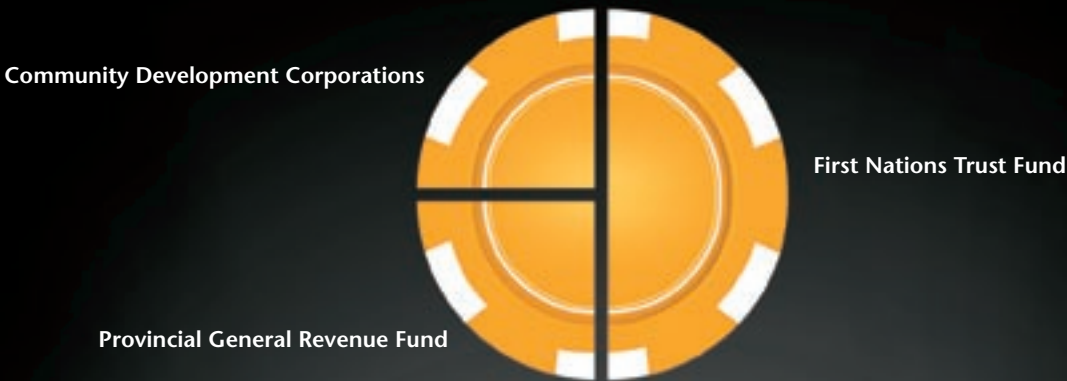
Moving Forward

This past year will go down as one which was exhaustive, but very rewarding. Being named the 2007 Business of the Year by SaskBusiness Magazine was an absolute thrill. It was then capped off by our selection as the Tourism Saskatchewan business of the year for the 2007. These two accomplishments make everyone associated with the organization very proud of their efforts and achievements. This recognition also confirms that First Nations businesses have become a significant force in the provincial economy.

Our plan for continued success is built upon reinvestment in our people, business process improvements, facilities, and in the communities where we live and work. SIGA is proud to report eight years of continuous growth in our revenues and net earnings, and we believe that to sustain this success we need to build a strong internal foundation that is growing as fast as our business is expanding. Looking forward, our future is abundant and full of opportunity.

– Zane Hansen
President & CEO

SIGA CASINO PROFIT DISTRIBUTION



SIGA GROSS REVENUE
(in millions)





GUIDING PRINCIPLES

These principles define SIGA values as an organization and guide how we conduct our business.

1 TÂPWÊWIN

“SPEAKING WITH PRECISION AND ACCURACY.”

The principle of Tâpwêwin advocates speaking with precision and accuracy. For SIGA, from a business perspective, it means we must be accountable. We believe that we will remain accountable as long as we conduct our business with integrity, honour and discipline.

2 PIMÂCIHOWIN

“MAKING A LIVING.”

Pimâcihowin stresses the importance of “making a living” and is today’s realization of our First Nations treaty relationship. The financial and operational success of SIGA provides the means to integrate a holistic approach to improve the quality of life for our people and the province of Saskatchewan.



OUR VISION

“SHARING SUCCESS”

By sharing success, all people will benefit and bring about many positive relationships to meet our mission as an organization.

OUR MISSION

SIGA will strengthen the lives of Saskatchewan and First Nations people through employment, economic growth, and community relations. This will be accomplished through the provisions of a distinctive First Nations gaming experience that reflects the traditional aspects of our First Nations heritage and hospitality.

“GETTING ALONG WITH OTHERS.”

3 MIYO-WÎCÊHTOWIN

The value of getting along with others is represented by the word Miyo-wîcêhtowin. By conducting our business in a manner that reflects our First Nations hospitality, traditions and customs, we are able to foster good relations with our customers. Guest satisfaction is crucial to our success.

“FINDING ONE’S SENSE OF BELONGING.”

4 MISKÂSOWIN

Miskâsowin represents the value of finding one’s sense of origin and belonging. A fundamental goal of SIGA is to bring about a positive sense of origin and belonging in a predominantly First Nations employee base. This will lead to confident, productive and fulfilled employees.

“LIVING TOGETHER ON THE LAND.”

5 WÎTASKÊWIN

Living together on the land is the fundamental value conveyed by the word Wîtaskêwin. SIGA’s vision statement “Sharing Success” speaks to the concept of sharing the land or, in today’s terms, sharing resources. This value inspires us to give back to the communities where we live and work.



OPERATIONAL HIGHLIGHTS

For over a decade, the Saskatchewan Indian Gaming Authority has been entertaining Saskatchewan, offering exceptional value through a variety of products and providing patrons with its own unique First Nations hospitality and service. Visitation continues to increase at the casinos and the result is a more profitable organization benefiting the entire province. Once again, SIGA surpassed projections in both visitation and financial results. SIGA casinos welcomed almost 3 million guests, while surpassing revenues of \$191M in 2007/08. In fact, SIGA was recognized provincially for its accomplishments, winning 2007 Business of the Year by SaskBusiness Magazine and Tourism Saskatchewan.

SIGA continues to place a strong emphasis on capital reinvestment in its casino and entertainment properties, while at the same time making a significant investment in our people to ensure our guests enjoy their stay and return with us. SIGA casinos offer:

- 1,670 Electronic Gaming Machines (Slots)
- 45 tables including Blackjack, Poker and Roulette
- Food and Beverage Services
- State of the Art Entertainment Venues

With its central office in Saskatoon, and casino operations in North Battleford, Prince Albert, White Bear First Nation, Whitecap Dakota First Nation (Saskatoon market), and Yorkton, SIGA currently has become the largest employer of First Nations people (1,100) in the province.

Our People

SIGA is a unique organization with a strong commitment to its people and an innovative approach to attracting and retaining employees. Of the 500+ employees originally employed by SIGA when the company was first established in 1996, 140 (over 25%) are still with the company today. SIGA has a tradition of developing and promoting within and growth from 500 employees to over 1,700 demonstrates not only new opportunities but opportunities for advancement.

During the past year, \$1.2M was invested into Learning and Development programs, including “soft skills,” leadership, and conflict management resolution. SIGA also provided extensive technical training, resume-writing workshops, career planning, leadership training, mentorship programs and numerous “acting” opportunities throughout the year.

SIGA’s turnover rate of a mere 7.4 per cent is remarkable and significantly lower than the rest of the service, hospitality and gaming sector.

One of the challenges of the organization is how to effectively communicate with over 1,700 employees in five different locations in the province. Regular joint employee-management meetings and a bi-monthly staff newsletter have been a large part of that success. The results of the 2007 Employee Satisfaction Survey, conducted by Leger Marketing, provided an excellent summary of our employees’ perspective on the healthy communication that has been created at SIGA. In fact, 85% of SIGA employees are generally to very satisfied to be working for the company.

Entertaining Saskatchewan

SIGA's marketing plan is based on its corporate goal of "providing guests with an outstanding First Nations hospitality and entertainment experience." To achieve this goal, SIGA marketing developed a series of promotions and activities focusing on providing an outstanding entertainment experience for patrons.

The 2007/2008 year was packed full of successful and exciting giveaways. These included wide area progressive table games (a SIGA signature), Smoke Signals Slot machine progressive jackpots, and a SIGA-wide \$100,000 poker tournament where the winner received cash and a trip to the World Series of Poker in Las Vegas. Patrons of SIGA casinos also had chances to win Roughrider Season tickets at Bear Claw Casino, a Hybrid at Gold Eagle Casino, \$20,000 in home renovations at Northern Lights Casino, Caribbean Cruise for two at the Painted Hand Casino, and many more exciting cash and prizes. The ongoing evaluation of promotional and entertainment programming has enabled SIGA to maintain and provide the types of marketing that appeals and gets results; nearly three million patrons visited a SIGA casino in 2007/2008.

This past fiscal year also marked the grand opening of the new Dakota Dunes Casino. SIGA worked closely with MGM Communications to create the "Where Your Friends Play" advertising campaign, which featured billboards, radio, television and print advertising, and new initiatives such as a street team that traveled to events in Saskatoon in a "Dunes Buggy." During the Grand Opening celebration, patrons were treated to free food, free coin, daily slot tournaments, world-class entertainer Tom Cochrane, and a chance at a million dollars by playing the Million Dollar Deal game. The Dakota Dunes Grand Opening campaign was a huge success; over 10,000 patrons visited the casino during opening day, and the casino was a finalist for the Sask Tourism Gil Carduner award for a marketing campaign over \$20,000.

Thousands of patrons visited SIGA casinos last year to take in first-rate entertainment. In summer, SIGA casinos held the first ever SIGA-wide outdoor concert series, featuring Beatles tribute band, Strawberry Fields. Patrons also had a chance to see favourites like Carroll Baker, Brad Johner, and April Wine. Guests had a chance to sing or vote for their favourite competitors in the popular Bear Claw Idol and Painted Hand Idol contests. Mega stars Tom Cochrane, Dionne Warwick, Billy Bob Thornton and the Boxmasters, and Herman's Hermits were all featured during 2007/08. SIGA is particularly proud to showcase world-class First Nations performers from around Canada, with Donny Parenteau, Just the Boyz, New Horizon, Conrad Bigknife and Mitch Daignault all crowd favourites at the casinos. From international recording stars to homegrown stage heroes, there was always something exciting and entertaining at SIGA casinos.

Transportation

Motor Coach tours continue to play a significant role in casino visitation and has proven to be a highly successful program. Seasonal motor coach packages, appreciation parties and advertising cooperatives with the bussing companies have proved to be beneficial for SIGA business. This year, over 18,000 guests visited the casinos via motor coach tours.

In the last year, SIGA introduced valet and shuttle service at the Dakota Dunes Casinos. Over 11,000 of our guests took advantage of the new valet service, and over 71,000 patrons rode the shuttle in 2007/2008. Due to the success of this pilot project, SIGA is exploring options to include this service at all SIGA casinos in the future.

Player Loyalty

Player visitation increased from 2.3 million in 2006/2007 to nearly 3 million in 2007/2008. Personalizing relationships with existing clientele, in addition to ensuring new patrons feel welcome, has enabled SIGA to strengthen relationships with the people who sustain our business.

In this fiscal year, membership increased by over 30,000 to well over 125,000 members. Over 20,000 of these new members joined at the Dakota Dunes casino. Cash back for points allows us to reward members based on their carded play. Members received over \$5M in cash-back rewards this year!

November 5th marked the 5 year anniversary of the SIGA Players Club. To celebrate, each SIGA casino gave away \$5,000, and Players Club members could earn 5x points on the anniversary date. Since its inception, the SIGA Players Club has awarded \$15M in cash-back to its members.

Through cash back rewards, special birthday celebrations, VIP events, Christmas promotions, newsletters and other rewards, SIGA continues to offer incentives which are appealing to our guests.

Standard of Excellence/Customer Service

By conducting our business in a manner that reflects our First Nations hospitality, traditions and customs, we are able to foster good relations with our customers. Guest satisfaction is crucial to our success. SIGA offers a unique blend of traditional First Nations hospitality and service.

SIGA has a strong commitment to the customer experience which starts with training of its staff. Hundreds of SIGA staff received Service Best training and the organization was recognized by the Saskatchewan Tourism Education Council (STEC). This year, SIGA also offered the *Ultimate Customer Service Seminar* to employees. This is a program provided by the "Native American Leadership Academy" out of Arizona, USA. It is designed for Indian Gaming and Hospitality organizations to create a more passionate, committed, happy and helpful team member in order to deliver the ultimate customer service. SIGA has contracted to train 1,500 employees with SIGA-trained trainers. SIGA is also offering *Responsible Service of Alcohol* training to staff. Given through STEC, this program currently has 15% staff completion. An investment in our employees showed positive results in staff morale and in our ability to deliver excellent hospitality and service.

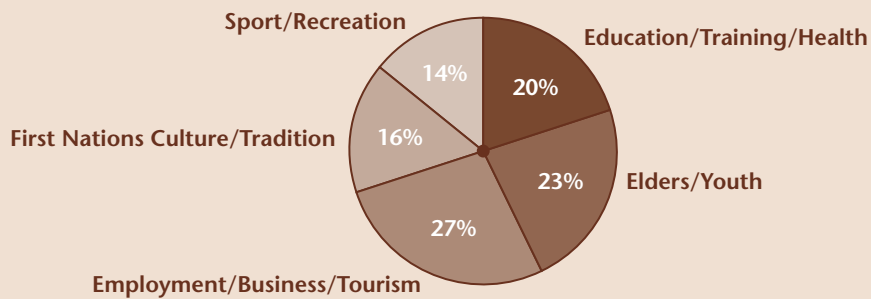
SIGA casinos continue to reach customers, ensuring each patron receives excellent entertainment value. A competitive job market, and recruitment of over 400 employees for the Dakota Dunes Casino emerged as two major challenges in 2007/2008. Despite these challenges, SIGA recorded another excellent year; with patron visitation and revenues in 2007/2008 being our highest to date.

CORPORATE SOCIAL RESPONSIBILITY

Sponsorship

Sharing Success is a fundamental value of SIGA. In fact, the guiding principle of W̓itaskêwin speaks to the importance of giving back to the community. Throughout the year, SIGA and its casinos invest over \$1.3M through its community relations sponsorship to both First Nations and Non-First Nations organizations, registered charitable and non-profit groups. Enhancing the quality of life for the physically, socially and economically disadvantaged individuals and families are the foundation for SIGA's community relations sponsorship program. Eligible sectors:

SPONSORSHIPS BY SECTOR	Targeted	Achieved
• Education/Training/Health	20%	20%
• Elders/Youth	20%	23%
• Employment/Business/Tourism	25%	27%
• First Nations Culture/Tradition	20%	16%
• Sports and Recreation	15%	14%



Examples of SIGA's giving include, but are not limited to the following:

Saskatchewan First Nations Summer Games	PAGC Urban Services Centre Inc.
First Nations University Memorial Tipi	P.A. Parkland Health Region – Mental Health
SIGA Enchanted Forest (supporting Saskatoon Zoo/Saskatoon City Hospital)	Kambusters Racing Association Inc.
First Nations University of Canada Powwow	Chief Whitecap John Lake Bridging 125
Regina Aboriginal Kin Club	Beardy's Midget "AAA" Blackhawks
Saskatchewan Epilepsy Inc.	Canoe Lake Cree Nation
North Independent Living Centre Inc.	Beauval Minor Sports and Recreation
Lisa Rendall Golf Classic	File Hills Qu'Appelle Tribal Council
Parkland Regional College	2007 Treaty Four Gathering
Saskatchewan Conservation Learning Centre Inc.	Flying Dust Youth and Disabled Wish Foundation
Swift Current Agriculture and Exhibition Association	Makwa Sahgaiehcan First Nation Hand Game Tournament

Corporate Volunteer Program

SIGA won the award for Exemplary Volunteerism and Community Support at the Canadian Gaming Association's (CGA) first Canadian Gaming Awards Gala on April 26, 2007.

The awards recognize excellence and achievement in two distinct areas: one annual award for Exemplary Volunteerism & Community Support, and two awards for long-term leadership and outstanding contribution. In 2007/08, SIGA Central Office staff invested almost 1,500 hours of volunteerism.

In 2008, SIGA will be formalizing its support of community initiatives by developing an employee owned and driven volunteer program.

Responsible Gaming

SIGA has made a strong commitment to responsible gaming. The Responsible Gaming Strategy includes various levels of training for everyone in the organization from front line to Senior Management. SIGA has worked collaboratively with Manitoba Lotteries in establishing a framework which will also include informational kiosks at our casinos. In addition, \$2.25M annually is invested into the First Nations Addictions and Rehabilitation Foundation to support gambling addictions programming.

Operations

With its central office in Saskatoon, and casino operations in North Battleford, Prince Albert, White Bear First Nation, Whitecap Dakota First Nation (Saskatoon market), and Yorkton. SIGA currently has over 1,700 (1,725) employees with over 920 Full-Time-Equivalent (FTE) positions.



Central Office – Saskatoon

With offices located on the Asimakaniseekan Askiy Reserve in Saskatoon, the SIGA Central Office provides strategic direction and support in the areas of Administration, Corporate Affairs, Financial Management, Human Resources, Information Technology, Legal, Marketing, Operations, and Risk Management. Central Office has over 100 full-time employees.



NA \$384,349

1.67 \$1,327

SMOKE SIGN

19

CASH

CREDIT WINNERS 2 CREDIT WINNERS

2500	2500
1000	1000
500	500
250	250
100	100
50	50
25	25
10	10
5	5
2	2
1	1

BAR BAR BAR

10 6 2

57

BEAR CLAW CASINO

WHITE BEAR FIRST NATION

Located on the White Bear First Nation, the Bear Claw Casino is situated in one of the most picturesque regions of the province. Since its opening in 1996, players have come from all over the southern part of the province and from Manitoba and northern USA for a chance to play in the intimate settings of the casino and to enjoy the beautiful surroundings.



General Description:

- 30,000 square feet of floor space
- 130 slot machines (87% TITO) and 4 live table games
- Over 120 employees
- Annual salaries and benefits: \$5M
- Casino includes a gaming floor, Growlers Restaurant, stage and Bear Necessities gift shop
- Over 165 thousand visitors annually

Promotions

- Roughrider Season Tickets
- Western Canada VIA Rail Tour
- Pay off your holiday bills
- Diamond Jewellery (Players Club)
- Apple MacBook and IPOD Touch (Players Club)



DAKOTA DUNES CASINO

SASKATOON TRIBAL COUNCIL

Located 20 kilometres south of Saskatoon, the Dakota Dunes Casino is SIGA's largest casino and serves the Saskatoon market. The casino is situated next to the Dakota Dunes Golf Links (2005 Best New Canadian golf course – Golf Digest) and part of a tourism corridor that extends throughout the scenic region south of Saskatoon.

The \$61M Dakota Dunes Casino, SIGA's largest casino, opened to the public on August 10, 2007; two months ahead of schedule and under budget. The opening was a major success with over 10,000 guests during its inaugural day of operation. The patrons enjoyed an evening with Tom Cochrane & Red Rider as well as the lights and excitement of an action packed gaming floor.

Tremendous energy, time and effort were invested to ensure the Dakota Dunes Casino would be open on time. In May 2007, SIGA hosted a career fair at the Hilton Garden Inn in Saskatoon which resulted in over 1,500 applicants. The majority of the applications came from First Nations people and enabled the organization to move forward with the recruitment phase of the casino. It was a collaborative effort and one that paid huge dividends for a successful recruitment campaign.

General Description:

- 80,000 square feet includes gaming floor, restaurant and multipurpose facility
- 575 slot machines (100% TITO), 14 live table games and 10 rapid Roulette games
- Over 400 employees
- Annual salaries and benefit \$15.5M

Promotions

- Double Points, Canada Day
- John Deere Garden Tractor
- Diamond Jewellery (Players Club)
- Apple MacBook and IPOD Touch (Players Club)
- Dakota Dunes Casino Opening – Million Dollar Deal, free food, free coin, and chances to win

The Dakota Dunes Casino was a finalist for the Gil Carduner award for a marketing campaign over \$20,000.



Official Ribbon Cutting – August 9, 2007

Hot Shot
PROGRESSIVE



Hot Shot
PROGRESSIVE



WINNER!

\$105.32

Hot Shot
PROGRESSIVE

GOLD EAGLE CASINO

NORTH BATTLEFORD

The renovated Gold Eagle Casino continues to provide a unique entertainment experience for its patrons since its opening in 1996. The Gold Ridge Centre is a multi-function facility which continues to host a variety of events including weddings and entertainment performances.

General Description:

- 39,000 square feet of floor space
- 275 slot machines (87% TITO) and 10 live table games
- Over 300 employees
- Annual salaries and benefits: \$10.2M
- Casino includes gaming floor, Kihiw Restaurant and Gold Ridge Centre multipurpose facility

Promotions

- Hybrid Hysteria
- Tornado of Cash
- Cash and Sea-doos
- Diamond Jewellery (Players Club)
- Apple MacBook and IPOD Touch (Players Club)



Gold Eagle Casino is the proud recipient of the "2007 Employer Tourism Training Award." Battlefords Tourism presented the award in recognition of outstanding commitment in tourism training. The award is a direct reflection of the Gold Eagle Casino and SIGA's commitment to the company's corporate values of Miskâsowin.



NORTHERN LIGHTS CASINO

PRINCE ALBERT

Northern Lights Casino in Prince Albert opened its doors in 1996. The diversity of the Northern Lights Casino continues to draw people from northern and central Saskatchewan, along with patrons from Alberta, through the successful bussing program. This success has made the Northern Lights Casino one of the primary entertainment destinations in Western Canada.



General Description:

- 42,000 square feet of floor space
- 465 slot machines (81% TITO) and 11 live table games
- Over 400 employees
- Annual salaries and benefits: \$13.8M
- Casino includes a large gaming floor, North Star restaurant, Star Light lounge and entertainment stage
- 1.2M guests in 2007/08

Promotions

- Spring Clean Sweep (\$20,000 renovations)
- Cruise Into Summer – H3 Hummer
- Let it snow – Snowmobiles
- Diamond Jewellery (Players Club)
- Apple MacBook and IPOD Touch (Players Club)

The Northern Lights Casino supported a wide variety of community events, including the Country North Show, Powwows and Round Dances, arm wrestling, Back to Batoche, aboriginal artwork, and numerous volunteer community groups.

Northern Lights Casino received the Samuel McLeod Business Awards of Excellence for community involvement. This award is given to a business demonstrating exceptional performance in its support of the arts and culture, amateur sports, or voluntary groups. The winner's application has been forwarded to the Saskatchewan Chamber of Commerce's ABEX awards. It is the Northern Lights Casinos first win in this category.



PAINTED HAND CASINO YORKTON

The Painted Hand Casino in Yorkton has become the major entertainment spot in the area since first opening its doors in 1996. Tourists and area residents are provided with a unique gaming experience and many exciting performances on the casino's stage.

General Description:

- 18,000 square feet of floor space
- 225 slot machines (91% TITO) and 6 live table games
- Over 220 employees
- Annual salaries and benefits: \$7.5M
- Casino includes gaming floor, restaurant and entertainment stage

Promotions

- Caribbean Cruise for 2 giveaway
- Keep it Running! Gas giveaway
- Pay off your holiday bills
- Diamond Jewellery (Players Club)
- Apple MacBook and IPOD Touch (Players Club)

The Painted Hand Casino has been awarded the Romero Award that recognizes excellence in casino marketing across the global gaming industry. The marketing department at the casino received the award for the Lucky Eleven Anniversary event which ran this past December to commemorate the casino's 11th anniversary. The Painted Hand Casino gave away two (2) major cash prizes of \$11,111.11 on December 14, 2007 @ 11:11 am and 11:11 pm. 121 nominations were submitted worldwide.



Rebuild of Painted Hand Casino – March 2007

EXPANSION

SIGA's business development strategy focuses on further developing its product offering to include a wider entertainment experience more in line with the expectations of our customers to enhance the overall appeal and entertainment experience.

SWIFT CURRENT CASINO & PERFORMING ARTS COMPLEX FILE HILL QU'APPELLE TRIBAL COUNCIL

Living Sky Casino features a circular gaming floor. The circle is significant in First Nations culture. The lodge pole pine is reflected in design.



Living Sky Casino – File Hills Qu'Appelle Tribal Council

The Living Sky Casino is scheduled to open in late 2008 on Nekaneet First Nation land in Swift Current. Located on Highway #1, the casino will be part of a major tourism corridor, with excellent accessibility, and will be close to hotels and other amenities. The entertainment centre will include a multi-purpose facility that will attract additional business to the Swift Current community. The casino will serve the large southwest area of Saskatchewan.

General Description:

- 50,000 square feet
- 200+ slots, 10 live table games
- State of the art Performing Arts and Entertainment Centre
- Projected net annual income: \$6M
- \$35M development with File Hills Qu'Appelle Tribal Council
- Target Opening Date: December 2008



Ground breaking – April 20, 2007

CAPITAL REINVESTMENT

The building incorporates many of the natural elements of Mother Earth.

PAINTED HAND CASINO REBUILD YORKTON TRIBAL COUNCIL



Painted Hand Casino Rebuild – Yorkton Tribal Council

Construction on the new \$30M Painted Hand Casino began in 2007. The new Painted Hand Casino, a joint partnership with the Yorkton Tribal Council, will include a multi-purpose facility for shows and conferences, a full-service restaurant, snack bar, bus port, and a parking lot for 200 vehicles.

The new location is ideal. Situated on Kahkewistahaw First Nation land in Yorkton, the site is off the old Broadway Mall on the west end of the city. Two major highways pass by the area, offering plenty of parking and numerous nearby amenities including an arena, curling rink, swimming pool, exhibition grounds and a golf course.

General Description:

- 43,000 square feet
- Projected 250 slot machines
- Projected 10 live table games
- Entertainment centre
- Targeted opening date: February 2009

Reinvestment – existing properties

The Saskatchewan Indian Gaming Authority has embarked on a reinvestment program to ensure the casinos remain up to date and attractive to our patrons and employees.

Some of the initiatives include:

- New Marquis for all casinos
- Exterior renovations and front canopies
- Expanded parking lots
- Storage facilities
- Addition of multi-purpose facilities

STRATEGIC PRIORITIES



STRATEGIC PRIORITY 1

SERVING OUR PEOPLE

OBJECTIVES	KEY ACTIONS	PERFORMANCE INDICATORS
1. First Nations Employment	<ul style="list-style-type: none"> Human Resources Plans for Central Office and each casino 	<ul style="list-style-type: none"> Employ 1,000 First Nations people 80% of management – First Nations
2. To better the health and well-being of SIGA's employees	<ul style="list-style-type: none"> Implementation of SIGA's Health & Wellness Strategy 	<ul style="list-style-type: none"> 2% reduction in sick leave utilization
3. To effectively engage and motivate employees through meaningful work experiences and learning opportunities	<ul style="list-style-type: none"> Monthly Employee Management Committee meetings at Central Office and each casino Implementation of a variable pay program Implementation of SIGA's Learning Strategy 	<ul style="list-style-type: none"> 2% reduction in grievances Increase in employee satisfaction rating: <ul style="list-style-type: none"> Currently 3.7 Target 4.0 2% of revenues invested in learning opportunities for employees
4. To cultivate a high level of guest satisfaction	<ul style="list-style-type: none"> Implementation of entertainment strategy Link to current data to marketing initiatives and strategies 	<ul style="list-style-type: none"> Use benchmarks on guest satisfaction to set new targets
5. To provide a unique SIGA entertainment experience and service	<ul style="list-style-type: none"> Implement key components of SIGA Hospitality model 	<ul style="list-style-type: none"> Documented service changes stemming from SIGA Hospitality model
6. To ensure that facilities and ancillary services exceed guest expectations	<ul style="list-style-type: none"> Continue to utilize guest satisfaction research Ensure that gaming products are refreshed and updated to current trends 	<ul style="list-style-type: none"> Obtain data from research, such as guest surveys, market research, employee feedback, and Players Club data Meet our target of 20% slot replenishment To have 75% cashless service/slot operations (TITO)

PROGRESS REPORT

EMPLOYMENT

- 73% (1,125) of the 1,725 people that SIGA employs are First Nations.
- 83% of management positions at SIGA are currently occupied by First Nations people.

GUEST EXPECTATIONS

- SIGA continues to conduct focus groups and gather feedback from its employees and patrons to ensure SIGA is providing products and service that satisfy guests. This is an ongoing commitment the organization has deployed.
- Once again, SIGA met its target of replenishing 20% of the gaming floor with new slot machines. SIGA is committed to providing up to date, state of the art, interactive machines for our patrons to enjoy.
- SIGA continues to focus on ensuring our guests are met with a high level of satisfaction.

HUMAN RESOURCES

Employee Health and Wellness

- In 2007/08, Health and Wellness Coordinators were hired at all SIGA casinos.
- The number of Long Term Disability cases dropped 1.5%.
- Turnover levels decreased 6.6%.

Learning and Development

- Over \$1.1M invested into Learning and Development programs at SIGA in 2007/08.

Employee Satisfaction

- In 2007, a directive from the Board of Directors resulted in Leger Marketing, an independent marketing firm, conducting an employee satisfaction survey in 2007. According to the survey, 85% of respondents are satisfied to be an employee of SIGA. That is up from 76% in 2004.
- An action plan was formulated as a result of the SIGA employee feedback from the Leger survey.

STRATEGIC PRIORITY 2

GROWING OUR BUSINESS AND SUPPORTING FIRST NATIONS BUSINESS

OBJECTIVES	KEY ACTIONS	PERFORMANCE INDICATORS
1. To increase profits in existing operations	<ul style="list-style-type: none"> Bench mark efficiencies and performance indicators Implement new technology in operations to improve customer service, enhance employee productivity, and improve SIGA's ability to measure performance 	<ul style="list-style-type: none"> Meet or beat annual revenue Budget/Forecast The research and development of industry-related benchmarks Establish and meet Benchmarks Increased patronage for Player Club and door counts
2. Casino Expansion	<ul style="list-style-type: none"> Utilize market research to identify potential for market growth Execute the Saskatoon Market Casino Project Develop and execute the Swift Current Market Casino Project 	<ul style="list-style-type: none"> The Saskatoon Market Casino Project on schedule and on budget The Swift Current Market Casino Project on schedule and on budget
3. To develop new business lines	<ul style="list-style-type: none"> Explore business opportunities in the hospitality, entertainment, consulting, and other viable options 	<ul style="list-style-type: none"> Operate hotels, entertainment centers with a positive profit margin Enter consulting contracts in the gaming and entertainment fields Research and development of lines of possible business such as bus lines, catering, dry cleaning, etc.
4. To build SIGA's capacity for slot operations	<ul style="list-style-type: none"> Proceed with the Joint Implementation Task Force as per Casino Operating Agreement 	<ul style="list-style-type: none"> The development of new information technology applications Target to have slot technicians trained to assume responsibilities of WCLC
5. Utilize FN's capital assets	<ul style="list-style-type: none"> Develop long-term strategic partnerships with First Nations businesses, educational institutions, and other organizations 	<ul style="list-style-type: none"> Increase the number of FN's businesses and dollars spent with FN's business Execution of partnerships with FN educational institutions

PROGRESS REPORT

Revenues

- Net income and profits increased to unprecedented levels of \$191M and \$60M respectively.

Patron Loyalty

- SIGA approached three million patrons (2,960,240) in 2007/08, up from 2,319,406 the previous year.
- The number of Players Club members increased to over 133,000 in 2007/08.

Expansion

- SIGA successfully opened its 5th casino (Dakota Dunes Casino) on August 10, 2007 two months ahead of schedule and under budget.
- A ground breaking to launch the Living Sky Casino in Swift Current, SIGA's sixth casino, was held April 20, 2007. Construction is well underway and recruitment has begun to staff the casino and performing arts centre.
- Painted Hand Casino held a ground breaking for a rebuild of the casino in Yorkton on September 27, 2007. Excellent progress was made on construction of the new building.

Business

- As a result of the new casino operating agreement, SIGA is establishing a new business development unit. The company will explore other business lines including hotels and entertainment centres and offer consulting services for other casino developments.

New Technology

- SIGA is currently in the process of implementing one source, providing SIGA with an integrated source for reports and information. Enterprise Resource Planning (ERP) is a term to describe the software package that is being implemented. It will combine previously separate applications and synchronize data.
- A request for information proposal was submitted to SLGA to support a new slot operating system for SIGA casinos.
- SIGA exceeded a target of 75% Ticket In – Ticket Out (TITO) coin-less slot machines reaching 80% in its casinos.

Utilizing First Nations Partners

- SIGA is committed to utilizing First Nations capital assets. SIGA's procurement department offered informational sessions throughout the province, meeting with Tribal Councils and local First Nation entrepreneurs. The representatives learned how suppliers can conduct business with SIGA and the products the company requires, demonstrating how SIGA is working towards supporting First Nations businesses.

STRATEGIC PRIORITY 3

DEMONSTRATING OUR INTEGRITY & TRANSPARENCY

OBJECTIVES	KEY ACTIONS	PERFORMANCE INDICATORS
1. To sustain compliance with the Provincial Auditor's recommendations and related Saskatchewan Liquor and Gaming Authority directives	<ul style="list-style-type: none"> • Manage and maintain compliance through effective internal controls • Develop work plans to achieve the requirements of all auditors 	<ul style="list-style-type: none"> • Sustain compliance with the SLGA Benchmarks • Achieve 95% compliance as tested by SIGA's internal auditor
2. To develop an Enterprise Risk Management process to identify and manage the risks facing the organization	<ul style="list-style-type: none"> • The establishment of a process to assess and profile risk • The application of a method of creating and utilizing risk mitigation strategies to each identified risk 	<ul style="list-style-type: none"> • Compliance with the SIGA Risk Management policy
3. To achieve and maintain a high standard of corporate accountability through Best Business Practices	<ul style="list-style-type: none"> • Ensure individual accountability by establishing and managing clear performance objectives 	<ul style="list-style-type: none"> • The implementation of governance recommendations made by SIGA's internal auditor in accordance with Canadian Institute of Chartered Accountants (CICA): Target 89 of 89
4. To implement a corporate-wide performance measurement method	<ul style="list-style-type: none"> • Implement the Balanced Scorecard method through the organization 	<ul style="list-style-type: none"> • The development of functional area balanced scorecards

PROGRESS REPORT

Corporate Accountability

- SIGA has achieved sustained compliance with respect to internal control benchmarks. This brings to a close the compliance file which originally began in November 2000.

Risk Management

- Research conducted and Enterprise Management system monitoring continues. Key organizational risks reported quarterly to the Board of Directors.

Best Business Practices

- Continue to research and develop new programs to ensure organization is operating efficiently.

Scorecards

- A realignment of the Senior Executive has been implemented and the file of performance measurements will become a high priority area of responsibility.

OBJECTIVES	KEY ACTIONS	PERFORMANCE INDICATORS
1. To establish effective alliances with other organization to work collectively on common goals	<ul style="list-style-type: none"> • Manage, maintain and effectively utilize strategic alliances 	<ul style="list-style-type: none"> • Develop relationship with First Nations Addictions Rehabilitative Foundation and other institutions
2. To achieve and maintain a strong commitment to responsible gaming	<ul style="list-style-type: none"> • Implementation of the responsible gaming strategy 	<ul style="list-style-type: none"> • Establish Responsible Gaming Committee • Increase responsible gaming training opportunities for staff
3. To enhance SIGA's image as a caring organization that gives back to the community	<ul style="list-style-type: none"> • Develop SIGA's philanthropic philosophy 	<ul style="list-style-type: none"> • Establish Elder support to share First Nations cultural philosophy of the principle "Witaskewin"
4. To build trust among stakeholders and the public in order to strengthen SIGA's corporate image	<ul style="list-style-type: none"> • Maintenance of the public relations strategy 	<ul style="list-style-type: none"> • Ongoing research on the status of SIGA's public perception rating
5. To increase involvement in the community and to support community initiatives	<ul style="list-style-type: none"> • Maintain relationships with business and community-based organizations • Implement a SIGA volunteer strategy 	<ul style="list-style-type: none"> • The maintenance of memberships and involvement in local and regional Chambers of Commerce, Tourism Bureaus, local REDA's, etc. • Heighten SIGA employee volunteer commitment • Benchmark the level of employee volunteerism • Increase visibility of SIGA through social investment in the community

PROGRESS REPORT

Alliances

- \$2.25M annually is invested into First Nations Addictions and Rehabilitation Foundation to support gambling addictions programs.

Responsible Gaming

- A strategy has been developed which has included various levels of training for everyone within the organization from front line all the way to Senior Management.
- SIGA has worked collaboratively with Manitoba Lotteries in establishing a framework which will also include informational kiosks at our casinos.

Corporate Image

- SIGA will continue to conduct public opinion polling in 2008/09 as part a measurement tool for the public relations strategy.
- SIGA was the recipient of the 2007 Business of the Year by SaskBusiness Magazine and Tourism Saskatchewan.

Community Relations

- In 2008, SIGA will be formalizing its support of community initiatives by developing an employee owned and driven volunteer program.
- In 2007/08, SIGA staff invested almost 1,500 hours of volunteerism.
- SIGA won the award for Exemplary Volunteerism and Community Support at the Canadian Gaming Association's (CGA) first Canadian Gaming Awards Gala on April 26, 2007.
- Invested \$1.3M into 400 community groups and organizations in Saskatchewan through Community Relations Sponsorship Program.
- SIGA will continue to manage and implement its communications strategy which includes enhancing stakeholder relations, media and public relations.

KEY RISKS

Risk Management Process

At SIGA, business risk is defined as the degree of exposure associated with the achievement of key strategic and business objectives in relation to the effectiveness and efficiency of operations, the reliability of financial reporting, compliance with laws and regulations, and the safeguarding of assets consistent with our First Nation values and SIGA's guiding principles.

SIGA utilizes a structured approach to managing uncertainty related to its business activities. Key business risks are identified, defined and prioritized, and executive risk owners are engaged and charged with risk mitigation within limits established by the SIGA Board of Directors. This data is compiled in a corporate risk profile that is reported to the Audit & Finance Committee on a quarterly basis. Results of the quarterly risk and control assessment are incorporated into the development strategic planning processes.

The following sections summarize the principal risks and uncertainties that could affect SIGA's future business results going forward, and associated risk mitigation activities:

RISK CLASSIFICATION	RISK EVENT	RISK MITIGATION STRATEGIES (Control Activities)
Operational	Alignment of Business Requirements and Information Technology	<ul style="list-style-type: none"> SIGA Information Technology Strategic plan
Operational	Cost overruns (expansion/project)	<ul style="list-style-type: none"> Fixed Price Contracts Project Progress Reports Development of Project Management processes as per Project Management Policy
Operational	Loss of key personnel	<ul style="list-style-type: none"> Executive Succession Plan, Emergency Loss of CEO Plan Executive & Senior Management Development Plans Casino HR Plans
Strategic	Adverse public opinion	<ul style="list-style-type: none"> On-going public opinion polling Execute Communications Strategy
Reporting	Material misrepresentation and/or incomplete disclosure on financial/operational performance	<ul style="list-style-type: none"> Administrative Controls Accounting Controls Business Process Management Financial Reporting Policy Casino Operating Agreement Requirements
Compliance	Lack of or inadequate response to audit recommendations (Auditors – Provincial, SLGA, Internal)	<ul style="list-style-type: none"> Quarterly Reviews on status of response plan with A&F Committee Input of lessons learned from Quarterly Reviews into business planning process
Compliance	Conflict of interest	<ul style="list-style-type: none"> Administrative Controls Automated COI process Audits

As the Saskatchewan Indian Gaming Authority moves forward, it will conduct periodical environmental scans of its external environment including that of the regulator, economic, governmental, competitors, societal and environmental.

BOARD OF DIRECTORS

RAY AHENAKEW

Board of Directors Chair Ray Ahenakew, member of the Ahtahkakoop First Nation, was appointed by the Federation of the Saskatchewan Indian Nations in January 2007. Ray has dedicated his entire career to improving conditions and opportunities in both First Nations and non-First Nations communities. Ray also serves as President of the Saskatchewan Indian Institute of Technologies.

DELORES BURKART

Ms. Burkart operates her own consulting business. She has been active in Saskatoon for many years, serving on numerous community boards and associations such as the Canadian Institute of International Affairs, the Canadian Club, the United Way and the Red Cross. She also has a wealth of experience in corporate board directorship. Ms. Burkart has served on the Boards of Directors for SaskTel, SaskPower and SGI. She completed term in January 2008.

CAROLE BRYANT

Ms. Bryant is currently Vice President of Administration with the Ranch Ehrlo Society. She also serves on the Boards of Investment Saskatchewan and Luther College. Carole has undergraduate and master's degrees in Social Work, an MBA from Queen's University in Kingston, and a Certified Management Accountant (CMA) designation. Ms. Bryant joined the SIGA Board in 2005. Carole completed term in January 2008.

VICE CHIEF EDWARD HENDERSON

Vice Chief Edward Henderson of the Montreal Lake Cree Nation joined the Board in December 2005. He is past Chair of Little Red Reserve School Authority and Woodland Cree Board and currently serves on the boards of PAGC Education, Forestry, Women's Commission, Sports Culture and Recreation, Saskatchewan Indian Equity Foundation, First Nations University of Canada and the Saskatchewan Indian Education & Training Commission. Edward is currently in his second term as Vice Chief of the Prince Albert Grand Council.

ROBIN WOODWARD

Robin Woodward was appointed to the board in 2007 by the provincial government. He graduated with a B.Sc. (Honours) from the University of Regina and an MA in Geography from the University of Miami. Robin became the first CEO of the Saskatchewan Forest Centre, a technology transfer and applied research company focusing on value added wood processing, agro-forestry and sustainable forest science in Prince Albert in October of 2002. Robin completed term in January 2008.

GARY LAPLANTE

Mr. LaPlante has been a SIGA Board member for the past four years. He is the political and policy advisor to the Battlefords Tribal Council and serves on numerous provincial boards and committees. He is from the Moosomin First Nation and holds a Bachelor of Arts degree, majoring in history, from the University of Saskatchewan.

CHIEF ISABEL O'SOUP

Chief O'Soup of the Key First Nation joined the SIGA board in April 2007. Chief O'Soup serves as Chairperson for the Yorkton Tribal Council Treasury Board, board member of the Saulteaux Healing & Wellness Centre and is a member of the Saskatchewan First Nations Women's Commission. Chief O'Soup has also been serving as a board member for First Nations University of Canada for the past two years and is a commission member of the FSIN Treasury Board and Lands and Resources.

CHIEF FELIX THOMAS

Chief Thomas joined the SIGA board in 2008. He has sat on a variety of boards including IGC, IGR and HSDC. Chief Thomas has also participated on the committee on Health for the Assembly of First Nations. Chief Thomas served as band councillor of Kinistin First Nation from 1991-1993 and has been Chief for 12 of the past 15 years. He holds a Bachelor of Arts. Chief Felix Thomas has also participated on the Chiefs Committee on Health for the Assembly of First Nations.

CHIEF REGINALD BELLEROSE

In 2008, Chief Bellerose joined the Saskatchewan Indian Gaming Authority Board of Directors. He is currently completing his second term as Chief of Muskowekan First Nation. Chief Bellerose has a Bachelor of Arts degree from Concordia University College, Edmonton and has completed a Masters program in Project Management at the University of Saskatchewan.

CHIEF BRIAN STANDINGREADY

In 2008, Chief Standingready rejoined the Board. He was first appointed to the Board in 2003 holding the position of Chair until January 2007. Brian has held a variety of positions including Chief, Council member, and band manager at the White Bear First Nation, near Carlyle. He has also served as the district representative for the Yorkton Tribal Council and has sat on numerous boards, committees and commissions. Chief Standingready was re-elected as Chief of White Bear First Nation in 2007.

BOB GEROW

Bob was appointed to the SIGA Board of Directors by the Agency Chiefs Tribal Council (ACTC) in 2008. Bob, a member of the Victoire Métis Local, has worked in First Nations Education and Administration for the past 33 years. He is currently the Executive Director with the Agency Chiefs Tribal Council. Bob holds a B.A., B. Ed., P.G.D. and Masters in Education.

CORPORATE GOVERNANCE

Authority

Under the First Nations Gaming Act, the Federation of Saskatchewan Indian Nations created the Saskatchewan Indian Gaming Authority (SIGA) on June 10, 1995. SIGA was then incorporated under The Non-Profit Corporation Act of Saskatchewan on January 11, 1996, and is designated as a charitable corporation. The FSIN owns the only issued Class A Membership. Class B Memberships are held by the Tribal Councils and independent First Nations.

Saskatchewan Liquor and Gaming Authority

The Province of Saskatchewan, through the Saskatchewan Liquor and Gaming Authority (SLGA), regulates SIGA. This authority is responsible for the approval of budgets, operating policies and procedures and expansion of services. Constant dialogue takes place between the management and employees of both organizations.

Our Structure

SIGA's gaming operations are a revenue source for the Provincial Treasury, Saskatchewan's First Nations and for Community Development Corporations (CDC) situated in the five casino locations. The CDCs distribute this money to charitable and not-for-profit community organizations. Profits generated from SIGA's operations are distributed to the First Nations Trust (50%, which is distributed to Saskatchewan First Nations), the Provincial Government's General Revenue Fund (25%), and the CDCs (25%).

Role of the Board

The Board of Directors is responsible for the stewardship of the organization and is ultimately accountable for the management of the affairs and business of SIGA. In meeting this responsibility, the Board works with management to develop and approve the organization's strategic plan, annual budgets and business plans, and ensures that a communication policy is in place. It has established terms of reference addressing its principal duties and responsibilities as a Board.

While focusing on the strategic direction of the organization, the Board delegates day to day operations to the President & CEO. The Board has resolved to adopt a policy governance model that empowers the President & CEO and holds him accountable for achieving the Board's ends directives, managing risks, and complying with the Casino Operating Agreement, SLGA directives and board policies. In addition, the organization has a comprehensive Delegation of Authority Policy that governs the approvals and spending authorities for all managers consistent with their responsibilities, accountabilities and budgetary allocations, and specifies those matters that require Board approval: items specific to capital expenses (unplanned) over \$100,000, capital expenses (planned) over \$250,000 and any Property Management, Land and Building Leases.

All of its directors are independent of management and no member of management serves as a director. The Board held twelve scheduled meetings in the 2007/08 fiscal year.

Board Chair – Ray Ahenakew

The Chair provides leadership by guiding the Board, coordinating its activities and fostering relationships in the best interests of the organization. The Chair, while working closely with the President & CEO, retains an independent perspective to best represent the interests of SIGA, the Board, and the communities they serve. The Chair, on behalf of the Board, reports to the FSIN Economic and Community Development Commission (ECDC) and the FSIN Legislative Assembly on the affairs of the corporation, including all business aspects of casinos owned or operated by SIGA. The Chair, in turn, reports to the Board of Directors any recommendations offered by ECDC and the Assembly. The Board has delegated authority and assigned responsibility to the Board Chair for managing SIGA's relationship with the shareholders as per policy B03-012.

Directors

For a portion of the year the Board of Directors was comprised of not more than seven members. The Federation of Saskatchewan Indian Nations and the Tribal Councils nominate four of these members and the Saskatchewan Liquor and Gaming Authority nominates three members to the Board. Only individuals registered as gaming employees under *The Alcohol and Gaming Regulation Act, 1997* may be members of the Board.

As per the Casino Operating Agreement, SIGA having met the requirements of Sustained Progress, a change in the structure and composition of the SIGA Board took place on January 30, 2008. The new Board structure will be comprised of no more than thirteen Directors. The Federation of Saskatchewan Indian Nations and the Tribal Councils nominate these members (one per Tribal Council).

The 2007/08 Directors are as follows:

- Ray Ahenakew (appointed January 30, 2007)
- Vice Chief Edward Henderson
- Chief Isabel O'Soup (appointed April 10, 2007)
- Gary LaPlante
- Delores Burkart (completed term – January 2008)
- Carole Bryant (completed term – January 2008)
- Robin Woodward (completed term – January 2008)
- Chief Felix Thomas (appointed March 2008)
- Chief Reginald Bellerose (appointed March 2008)
- Chief Brian Standingready (appointed March 2008)
- Robert Gerow (appointed March 2008)

Committee Structure

The Board may appoint any committees that it considers necessary for the efficient conduct of the affairs and business of SIGA and may prescribe the duties of any committee it appoints. It is important to note that assignment of responsibility by the Board to a committee does not absolve the full Board from responsibility for a committee's work or decisions. The Board Chair is ex-officio on all committees and may attend any meeting as deemed appropriate. All committees have established terms of reference governing their conduct and mandate.

The Board of Directors has established the following committees:

Audit and Finance, Human Resources and Compensation, Ethics Advisory, and Governance.

Audit and Finance Committee – Carole Bryant & Isabel O'Soup, Chairs

The Audit and Finance Committee monitors the financial performance and internal controls of SIGA, assesses risk management strategies, and acts as a liaison between the internal and external auditors and the Board. This committee is responsible for the internal audit function and has retained an independent internal auditor who has unimpeded access to corporate information and reports directly to the Audit and Finance Committee. The committee monitors internal controls over the financial reporting process, auditing matters and financial reporting issues. At the present time, SIGA is audited by the Provincial Auditor of Saskatchewan. In addition to the statutory audit requirements, the Provincial Auditor submits management letters that contain internal control recommendations and identification of management and system control risks. The Provincial Auditor has examined the corporation's financial statements and issued an Auditor's Report included in this annual report. This committee met twelve times in the 2007/08 fiscal year.

Human Resources and Compensation Committee – Gary LaPlante & Edward Henderson, Chairs

The objective of the Human Resources and Compensation Committee is to assist the Board of Directors in meeting their responsibilities by monitoring and reviewing human resource and compensation strategies, policies and procedures. This committee met six times in the 2007/08 fiscal year.

Ethics Advisory Committee – Carole Bryant & Edward Henderson, Chairs

The Ethics Advisory Committee is responsible for monitoring the best practices in corporate ethics and annually reviewing the Authority's ethics policies, processes and practices to ensure that the Authority continues to exemplify high standards of corporate ethics. The committee monitors compliance with the Code of Conduct, Conflict of Interest and Disclosure of Wrongdoing policies on behalf of the Board. This committee met ten times in the 2007/08 fiscal year.

Governance Committee – Delores Burkart & Edward Henderson, Chairs

The Governance Committee is responsible for, and reports to the Board about, the corporate governance processes of the Board. SIGA is committed, pursuant to the Casino Operating Agreement, to implementing the recommendations for governance of the Canadian Institute of Chartered Accountants. The Governance Committee monitors the functioning of the Board and committees of the Board, and recommends governance issues to be discussed by the Board and committees of the Board. It is also responsible for ensuring timely and complete information and decision-making at the Board and committee levels. The Governance Committee is responsible to ensure annual review of the Terms of Reference of the Board and its committees. The Committee coordinates the annual evaluations of the Board, the Board Chair, Committees and the Director's Self Assessments. The Governance Committee also oversees the annual evaluation of the CEO. The Board engaged with Shercon Associates Inc., an independent third party, to conduct all of the aforementioned evaluations. This committee met thirteen times in the 2007/08 fiscal year.

Governance Practices

The SIGA Board has implemented a comprehensive set of governance practices. To ensure that SIGA continues to exemplify high standards of corporate governance, an audit of all governance practices was completed by the audit firm Prosser and Associates

On June 30, 2005, the Canadian Securities Administrators CSA National Policy 58-201 on Corporate Governance Guidelines and National Instrument 58-101 on Governance Disclosure Rules came into effect. The CSA standards supercede the Toronto Stock Exchange Corporate Guidelines, which is one of the instruments the Board used previously to assess its practices.

According to the audit firm of Prosser and Associates, SIGA's current Governance practices substantially align with the guidelines set out by the Canadian Securities Administrators (CSA) Corporate Governance Guidelines National Policy 58-201 and Guidelines for Disclosure of Corporate Governance Practices National Instrument 58-101.

The National Policy and Instrument address areas of best practice in corporate governance. Unlike a publicly-held entity, SIGA is not required to comply with these policies. The corporation, however, has adopted an approach of benchmarking itself to these standards.

SIGA's alignment with the CSA Corporate Governance Guidelines is set out in the following scorecard:

CSA CORPORATE GOVERNANCE POLICY

NP58 – 201, AND DISCLOSURE INSTRUMENT, NI58 – 101F1

SIGA'S GOVERNANCE PRACTICES		DOES SIGA ALIGN?
COMPOSITION OF THE BOARD		
NP 58-201, section 3.1		
The board should have the majority of independent directors.	The directors on the SIGA board are (7 out of 7) (8 out of 8) independent. *SIGA 's new Board composition is 13 members with only 8 of those Directors being confirmed as of this date.	Yes
NI 58-101F1, sections 1(a) and (d)		
1 (a) Disclose the identity of directors who are independent;	Ray Ahenakew, Chair: Independent – President & CEO Saskatchewan Indian Institute of Technologies	Yes
(b) Disclose the identity of directors who are not independent and the basis for that determination;	Edward Henderson, Vice Chair: Independent – Vice Chief of the Prince Albert Grand Council	
(c) Disclose whether the majority of directors are independent; and	Carole Bryant, Director: Independent – Vice President of Administration Ranch Ehrlo Society	
(d) Disclose whether a director is a director of any other issuer that is a reporting issuer.	Delores Burkart, Director: Independent – Consultant	
	Gary Laplante, Director: Independent – Political and Policy Advisor Battleford's Tribal Council	
	Robin Woodward, Director: independent – CEO Saskatchewan Forestry Center	
	Isabel O'Soup, Director: independent – Chief of Key First Nation	
	Felix Thomas (appointed March 2008) – Chief of Kinistin First Nation	
	Reginald Bellerose, Director: independent – Chief of Muskowekwan First Nation	
	Brian Standingready, Director: Independent – Chief of White Bear First Nation	
	Robert Gerow, Director: independent – Executive Director, Agency Chiefs Tribal Council	
	This criterion is met by all current board members being external directors (i.e. not managers or employees of SIGA) and by having each board member complete and sign Code of Conduct Acknowledgement and Conflict of Interest Disclosure forms. Test results confirmed that completed forms are on file for all directors. Section 1(d) does not apply to SIGA, as SIGA does not have share capital, and is not an issuer.	
NP 58-201, section 3.2		
3.2 The chair of the board should be an independent director who is the effective leader of the board, who ensures that the board's agenda will enable it to successfully carry out its duties.	The Chair of the Board is an independent director who provides leadership in Board organization, processes, effectiveness and renewal and serves as a liaison between the role of the board, shareholders and that of President & CEO.	Yes

NI 58-101F1, section 1(f)

1 (f) Disclose whether the chair of the board is an independent director; disclose the identity of the chair and describe the role of the chair.	<p>Brian Standingready was Chair of the Board from April – January 2007 and is an independent director. Ray Ahenakew assumed the Chair responsibilities in January 2007 and is an independent director.</p> <p>The Chair reports to the Board and ultimately to the shareholders and is responsible for presiding over meetings of the Board and ensuring the Board discharges its fiduciary and legal responsibilities. The Chair's primary duties include:</p> <ul style="list-style-type: none"> • Act as a sounding board and counselor for the President & CEO, including helping to identify problems, reviewing strategy, maintaining accountability, building relationships and ensuring that the President & CEO is aware of concerns of the Board and the communities the Authority serves. • Lead the Board in monitoring and evaluating the performance of the President & CEO and the corporation. • Ensure that corporate strategy, plans and performance are presented to the Board. • Ensure the President & CEO presents management succession and development plans at least annually and implements them. • Foster a constructive and harmonious relationship between the Board and management. • Together with the President & CEO, act as a spokesperson for the Authority and oversee the Authority's interfaces with government and other stakeholders. • Ensure the Board has full governance of the Authority's business and affairs and is alert to its obligations to the Authority, to the communities it serves, to management and under the law. • Provide leadership to the Board; assist the Board in reviewing and monitoring the policy, directions and strategy of the Authority and the achievement of its objectives. • Communicate with the Board to keep it up-to-date on all major developments, including timely discussion of potential developments. • Chair board meetings and attend committee meetings, where appropriate, as ex officio member of each committee. • Ensure that the Board and management clearly understand their respective roles and respect the boundaries between board and management responsibilities. • Ensure that the Board has adequate resources to support its work. • Is jointly responsible with the President & CEO for developing ways to involve the Board in the ongoing processes of strategic planning and risk management. • While working closely with the President & CEO, retains an independent perspective to best represent the interests of the Authority, the communities it serves and the Board. • On behalf of the Board, shall report to the Economic Community Development Commission (ECDC) on the affairs of the corporation including all business aspects of casinos owned or operated by the corporation and shall, if so requested, report on the same matters to the FSIN legislative assembly. • Reports to the Board of Directors any guidance or advice that ECDC has offered to the Corporation. • Is a non-executive appointment. 	Yes
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MEETINGS OF INDEPENDENT DIRECTORS

NP 58-201, section 3.3

3.3	The independent directors should hold regularly scheduled meetings at which non-independent directors and members of management are not present.	The terms of reference for the Board and each committee require that the Board and each committee meet regularly without management present. In camera sessions are a standing agenda item. All Directors participate in the sessions, except where a Director has a conflict with an item under discussion.	Yes
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NI 58-101F1, sections 1(e)

1 (g)	Disclose whether the independent directors hold regularly scheduled meetings at which members of management are not present, disclose the number of such meetings held in the previous 12 months; if such meetings are not held, disclose what the board does to facilitate open and candid discussion among independent directors.	<p>There were 12 regular board meetings held in 2007, and during each regular meeting, in camera sessions are a standing agenda item. Board practices that facilitate open and candid discussion allow for open and direct communication on issues that it may not be appropriate to discuss with representatives of management.</p> <ul style="list-style-type: none"> • Holding in camera sessions of no fixed duration where Directors are encouraged to raise any issues of concern. • Having an independent Director as Chair of the Board. • Clearly delineating the division of responsibilities between the Board and the President & CEO. • Providing Board/Directors with access to external advice. <p>The Board is satisfied that its governance practices foster full and open discussion and debate and that it retains the independence of mind to make decisions in the best interest of the Corporation and the shareholder.</p>	Yes
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NI 58-101F1, sections 1(g)

1 (g)	Disclose the attendance record of each director for the board meetings held in the most recently completed financial year.	The Board held a minimum of 18 meetings in 2007/08. The number of each Board meeting attended by each Director is set out below.	Yes
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Directors	Meetings Attended	Total Meetings*
Ray Ahenakew, Chair	21	(22)
Edward Henderson, Vice Chair	18	(22)
Carole Bryant, Director	17	(18)
Gary Laplante, Director	20	(22)
Delores Burkart, Director	17	(18)
Robin Woodward	14	(18)
Isabel O'Soup	19	(22)
Reginald Bellerose	1	(1)
Brian Standingready	1	(1)
Felix Thomas	1	(1)
Robert Gerow	0	(1)

*For purposes of this report, members who attended meetings in part were considered to be present. Figures in brackets represent the maximum number for the period in which the individual was a board member.

BOARD MANDATE**NP 58-201, section 3.4**

- 3.4 The board should adopt a written mandate which explicitly acknowledges responsibility for the stewardship of the corporation and responsibility for;
- (a) to the extent possible, satisfying itself as to the integrity of the CEO and executive and that they have created a culture of integrity throughout the organization;
 - (b) adopting a strategic planning process and approving at least annually a strategic plan which takes into account, among other things, the opportunities and risks of the business;
 - (c) identification of the principal risks of the corporation's business and ensuring the implementation of appropriate systems to manage these risks;
 - (d) succession planning, including appointing, training and monitoring senior management;
 - (e) adopting a communications policy for the corporation;
 - (f) the integrity of the corporation's internal control and management information systems; and
 - (g) developing the corporation's approach to corporate governance, including a set of principles and guidelines specific to the corporation.

The written mandate should also address measures for receiving feedback from stakeholders (for example, a process for stakeholders to contact independent directors); and the expectations and responsibilities of directors; including basic duties to attend meetings and review materials in advance.

The Board has adopted a comprehensive written mandate Board Policy No. B03-001 Board Mandate that complies with the elements required in this policy. Specific policies B03-008 Board Member Responsibilities and B03-012 Board Chair Terms of Reference outline the primary duties and responsibilities of the Board, including the responsibility to function as stewards of the Corporation and to:

- Provide leadership in setting the Authority's long-range strategic direction, and to approve the Authority's overall strategic plan, operating goals, operating budget, performance indicators, and the business and financial plans established to achieve them.
- Develop corporate policies to ensure effective corporate governance and board-management relations and to clarify management limitations.
- Approve corporate governance structures, principles, practices and policies based on recommendations from the Governance Committee.
- Approve any amendments to the mandate and structure of the board and its committees based on recommendations from the Governance Committee. Any change in structure requires prior approval of SLGA.
- Choose the President & CEO. The Board shall include SLGA in the selection of the President & CEO.
- Coach the President & CEO.
- Review and discuss the annual Corporate Risk Profile received from the Audit & Finance Committee.
- Monitor and assess the performance of the President & CEO.
- Approve succession plans for the President & CEO and Senior Executive Team based on recommendations from the Human Resources and Compensation and Governance Committee.
- Develop contingency plans for transitional board leadership and transitional President & CEO duties.
- Provide assurance to stakeholders about the integrity of the organization's financial and non-financial performance.
- Periodically evaluate the size of the Board to ensure the number of directors facilitates effective corporate governance. Any change to the size of the Board requires SLGA and Shareholder approval.
- Approve the Internal Auditor's mandate and the structure of the internal audit function based on recommendations from the Audit & Finance Committee.
- Ensure the corporation has adopted a Communication Policy.

Yes

NP 58-201, section 3.4 continued...

- (a) The Board has adopted specific policies (B03-008 Board Member Responsibilities and B03-012 Board Chair Terms of Reference) which outline the primary duties and responsibilities of the Board Chair and Board Members.
- (b&c) The Board holds annual strategic planning sessions to review the corporation's strategic direction with a business and risk management plan developed by management to support that direction. The Audit & Finance Committee is responsible for the implementation and monitoring of the risk management plan. The Audit & Finance Committee meets with the internal and external auditors to discuss the corporation's risks.
- (d) The succession plan is covered in the board terms of reference and is complete.
- (f) The corporation is in the process of implementing a Risk Management System.
- (g) The Governance Committee has worked with the Internal Auditor to implement annual audits of its corporate governance practices.

SIGA uses a policy governance model. SIGA's Governance model is based on Governance Best Practices sourced through the 2003 Governance Audit – especially the Joint Committee on Corporate Governance Based on Carver Model (adopted by SIGA in 2002). It is the most widely adopted Governance Model. This Governance Model enables the Board to focus on the larger issues, to delegate with clarity, to control management's job without meddling, to rigorously evaluate the accomplishment of the organization, and to truly lead the organization. The Board governs through policies that define the relationship between the Board and the President & CEO, and establish organizational goals (ends), governance approach and management limitations. The President & CEO is empowered and has the broad freedom to determine the means that will be used to achieve organizational aims. The President & CEO reports to the full board. The Board acts in trust for the owners and the Board speaks with one voice. The Board decisions are predominately policy decisions; providing direction (i.e. setting and communicating broad goals to management) is the pivotal duty of board – not micro-managing. The President & CEO decides how these goals are to be achieved, as long as he/she does so ethically and within any limitations that the Board may impose. The Board controls management through limitations policies, not prescriptive policies. The Board develops policies that govern the Board. The Board's link to management is through the President & CEO. The Board rigorously monitors the President & CEO's performance against well-defined criteria.

- (f) SIGA has participated in surveys to obtain feedback from stakeholders on the corporation's activities. The Chair of the Board and the President & CEO participate in quarterly sessions to provide an update and review the corporation's performance with the FSIN Economic Development Commission, which is comprised of Shareholders of the corporation.

NI 58-101F1, section 2

2. Disclose the board's written mandate.

The Board's primary responsibilities are described above. The Board's written Mandate, Policy B03-001, can be obtained from the Board Secretary upon request.

Yes

POSITION DESCRIPTIONS**NP 58-201, section 3.5**

3.5 The board should: develop clear position descriptions for the chair of the board and the chair of each committee; together with the CEO, develop a position description for the CEO delineating management's responsibilities; develop or approve corporate goals and objectives that the CEO is responsible to meet.

The Board has adopted specific policies (B03-008 Board Member Responsibilities and B03-012 Board Leader Terms of Reference) which outline the primary duties and responsibilities of the Board Leader and Board Members. The Board has adopted mandates for all standing Committees which outline their specific responsibilities.

The Governance model that the Board has adopted indicates that the Board Governs through policies that define the relationship between the Board and the President & CEO, and establishes organizational aims (ends), governance approach and management limitations. The President & CEO has a broad range of freedom to determine the means that will be used to achieve organizational aims. The President & CEO reports to the full Board.

The Board has established a position description for the CEO setting out his responsibilities, authorities and accountabilities, as well as performance indicators. The Board assesses the CEO against these performance indicators.

The Delegation of Authority Policy, applicable to monetary and non-monetary matters, sets out those matters that require Board approval and delegates other matters to management.

The Board annually approves the business plan that includes the corporate goals, objectives, priorities and performance indicators which the CEO is responsible for meeting and assesses the CEO against these objectives.

Yes

NI 58-101F1, sections 3(a) and (b)

3 (a) Disclose whether the board has developed written position descriptions for the chair of the board and the chair of each board committee and, if not, describe how the board delineates the role and responsibilities of each such position.

(b) Disclose whether the board and CEO have developed a written position description for the CEO.

The committees all have written mandates adopted by the Board that delineate the roles and responsibilities of committees. Each committee met as follows: Governance – 13; Audit & Finance – 12; Ethics – 10; Human Resources and Compensation – 6. The Chairs of each committee review the minutes from their committee meetings with the Board members at the monthly Board meeting. This allows for effective communication and delineation of responsibilities between the committees.

(b) The Board has developed a comprehensive job description for the CEO. The Corporation's business plan identifies the goals and objectives that are to be achieved by the CEO in the fiscal year.

Yes

ORIENTATION AND CONTINUING EDUCATION

NP 58-201, sections 3.6 and 3.7

3.6	The board should ensure new directors receive comprehensive orientation and fully understand the role of the board and committees, the contribution individual directors are expected to make and the nature and operation of the business.	3.6 Through their mandate, the Governance Committee holds the responsibility to ensure and to monitor whether the proper orientation and continuing education training opportunities are made available to the Board. SIGA Management has provided comprehensive orientation training to the Directors about the business and the industry. SIGA also provides all Directors with a comprehensive binder that contains essential reference materials.	Yes
3.7	The board should provide continuing education opportunities for all directors to enhance their skills and abilities and ensure their knowledge of the corporation's business is current.	3.7 The Corporation makes available to the Directors the opportunity to participate in comprehensive education programs such as: Institute of Corporate Directors – Directors Education Program, Aboriginal Board Governance Development and the Directors College – Chartered Directors Program. All are certified comprehensive education programs with specific focuses on key roles and responsibilities of boards, committees and directors.	

NI 58-1011, sections 4(a) and (b)

4 (a)	Describe the measures taken to orient new directors to the role for the board, committees and directors and to the nature of the corporation's business.	4 (a) SIGA Management provides comprehensive orientation training to the Directors about the business and the industry. The Corporation also provides all Directors with a comprehensive binder that contains essential reference materials. The orientation provides Directors with a understanding of the industry trends, business risks and challenges, the strategic plan, organizational structure and the responsibilities of senior staff.	Yes
(b)	Describe the measures taken to provide continuing education opportunities for all directors.	(b) SIGA makes available to the Directors external opportunities to participate in comprehensive certified education programs such as: Institute of Corporate Directors – Directors Education Program, Aboriginal Board Governance Development and the Directors College – Chartered Directors Program. Over the past number of years, a focus has been to identify what skills board members require that will assist them in effectively discharging their responsibilities. Other experts have been brought in to support the Board's development such as outside legal counsel, with expertise in board governance, to outline the board's legal and fiduciary responsibilities.	

CODE OF BUSINESS CONDUCT AND ETHICS

NP 58-201, section 3.8

<p>3.8 The board should adopt a written code of business conduct and ethics applicable to directors, officers and employees of the corporation designed to promote integrity and deter wrongdoing. The code should address:</p> <ul style="list-style-type: none"> (a) conflicts of interest, including transactions and agreements where a director or officer has a material interest. (b) protection and proper use of corporate assets and opportunities; (c) confidentiality of corporate information; (d) fair dealing with the corporation's security holders, customers, suppliers, competitors and employees; (e) compliance with laws, rules and regulations; and (f) reporting of illegal or unethical behaviour. 	<p>3.8 SIGA has a written Code of Conduct Policy applicable to all Directors. The purpose of this document is to establish guidelines for conduct required of all directors of the Saskatchewan Indian Gaming Authority.</p> <p>The guidelines are not intended to be exhaustive. If issues outside the explicit guidelines arise, they should be addressed in accordance with the general principles in this document or through the exercise of sound business and ethical judgment. Directors may seek guidance from the Saskatchewan Indian Gaming Authority legal counsel. These guidelines are supplementary to any statutory or common law duties and obligations and to any other standards of conduct applicable to directors. The corporation has a code of Conduct Policy, a Directors Conflict of Interest Policy and a Disclosure of Wrongdoing Policy and has implemented an employee hotline that is independently operated.</p> <p>The Code addresses conflict of interest and confidentiality. In addition, each Director must complete a Conflict of Interest Declaration form and a Relationship Declaration form. The Declaration forms shall be completed on an annual basis, or more often in the event a potential conflict of interest situation arises. The completed forms are forwarded to and retained on file in the Board Secretary's office. Copies are to be provided to the Ethics Committee. Conflict of Interest declarations are completed at every Board and Committee meeting.</p>	Yes
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NI 58-101F1, sections 5(a)

<p>5 (a) Disclose whether the board has adopted a written code of ethical business conduct for the directors, officers and employees of the corporation; how to obtain copy of the code; how to the board monitors compliance with the code; and reference any material change report in the most recent financial year relating to any conduct of a director or officer that constitutes a departure from the code.</p>	<p>5 (a) A copy of the Director's Code of Conduct Policy can be obtained by contacting SIGA.</p> <p>The Board Chair and the Ethics Advisory Committee monitor compliance with the Code of Conduct policy. The President & CEO monitors compliance with the Community Relations Sponsorship Policy. The Audit & Finance Committee is responsible for: monitoring and reviewing the financial performance and internal controls of the Authority; monitoring, reviewing and ensuring the adequacy of the Authority's risk management policies and procedures; enhancing the credibility and objectivity of the Authority's financial reports; and acting as a communication link between the Board of Directors, the external and Provincial auditors and the internal auditor. The mandate of the Audit & Finance Committee shall be tabled at the Annual General Meeting for review by the members. The HR & Compensation Committee shall review the Authority's overall compensation programs and recommend President & CEO and Senior Executive Team compensation, and ensure that the overall compensation structure provides appropriate incentives to management and employees at all levels.</p>	Yes
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NP 58-201, section 3.9

3.9	The board should monitor compliance with the Code and any waivers granted for the benefit of directors and executive officers should be granted by the board or a board committee. Any waivers for a material departure from the code for any directors or officers should disclose full details of the material change.	3.9 The Board has delegated to the Board Chair and the Ethics Advisory Committee the responsibility for monitoring compliance with the Authority's Code of Conduct Policy.	Yes
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NI 58-101F1, section 5(b)

5 (b)	Describe steps the board takes to ensure directors exercise independent judgement in considering transactions and agreements where a director or officer has a material interest	SIGA has a written Code of Conduct Policy applicable to all Directors. The corporation has a Director's Conflict of Interest Policy meant to protect the Authority's interest by outlining guidelines for the Authority's Board Members which ensure that a conflict of interest does not exist or appear to exist. The corporation has a Disclosure of Wrongdoing Policy in place and, to further support that, the board has implemented an employee hotline that is independently operated. The hotline provides a means for employees to report allegations of serious wrongdoing and identify situations where wrongdoing is or has occurred so it can be eliminated.	N/A
5 (c)	Describe other steps the board takes to encourage and promote a culture of ethical business conduct.		

NOMINATION OF DIRECTORS**NP 58-201, section 3.10**

3.10	The board should appoint a nominating committee composed of entirely independent directors.	<p>Due to the nature of the current Gaming Agreement, the SIGA Board make up is determined by the following:</p> <p>For a portion of the year the Board of Directors was comprised of not more than seven members. The Federation of Saskatchewan Indian Nations and the Tribal Councils nominate four of these members and the Saskatchewan Liquor and Gaming Authority nominates three members to the Board. Only individuals registered as gaming employees under <i>The Alcohol and Gaming Regulation Act, 1997</i> may be members of the Board.</p> <p>As per the Casino operating Agreement, SIGA having met the requirements of Sustained Progress, a change in the structure and composition of the SIGA Board took place on January 30, 2008. The new Board structure will be comprised of no more than thirteen Directors. The Federation of Saskatchewan Indian Nations and the Tribal Councils nominating these members (one per Tribal Council). All nominations are ratified by the FSIN Legislative Assembly.</p> <p>The SIGA Board has undertaken the responsibility of developing a skills profile for Board members. It is distributed to all Shareholders and the Saskatchewan Liquor and Gaming Authority for their use as criteria to base their nomination/selection of Directors.</p>	Yes
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COMPENSATION**NP 58-201, section 3.15**

3.15 The board should appoint a compensation committee composed entirely of independent directors.	The Human Resources & Compensation Committee shall review the Authority's overall compensation programs and recommend President & CEO and Senior Executive team compensation and ensure that the overall compensation structure provides appropriate incentives to management and employees at all levels.	Yes
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NI 58-11F1, sections 7(a) and (b)

7 (a) Describe the process by which the board determines compensation for the directors and officers of the Corporation.	7(a) The corporation has developed a number of policies to assist in determining rates for Director Compensation. Directors will be compensated for serving on SIGA's Board through a combination of retainer fees and per diems. Directors will be reimbursed for travel and business expenses in accordance with Corporate Policy No. B03-017 Travel & Business Expenses (Board Members). The monitoring of compensation for Directors is the responsibility of the Governance Committee, who review this on an annual basis.	Yes
(b) Disclose whether the board has a compensation committee composed entirely of independent directors and, if not, describe the steps the board takes to ensure an objective process for determining such compensation.	(b) Board members will receive the following retainer fees on an annual basis to be paid in quarterly installments: Board Chairperson \$8,000; Board Member \$6,000. Board/Committee Chairperson meeting fee \$700; Board/Committee Member meeting fee \$600.	

NP58-201, section 3.16

3.16 The compensation committee should have a written charter establishing the committee's purpose, responsibilities, member qualifications, member appointment and removal, structure, operations (including any authority to delegate to individual directors or subcommittees) and manner of reporting to the board. In addition, the compensation committee should be given authority to engage and compensate outside advisors necessary to permit it to carry out its work.	<p>Human Resources and Compensation Committee – The Board has approved a mandate for the Human Resources and Compensation Committee with the core responsibilities to:</p> <ul style="list-style-type: none"> • Annually review and monitor Senior Executive Team contracts, compensation and benefit programs and recommend changes where appropriate. • Annually review and monitor other Senior Management Position compensation and benefit programs and any proposed changes and report to the Board for information in advance of any such changes being implemented. • Annually review and monitor management and staff compensation and benefit programs and policies and recommend changes or new programs where appropriate. • Ensure there are ongoing executive development programs that help promising individuals within the organization develop the critical skills identified in the succession plan. • Annually review the administration of all management and staff benefit and compensation plans to ensure conformity with approved policies. • Review on a regular basis the mechanisms that management has in place for employee recruitment and to monitor the retention of employees with a process for monitoring risk. • Based on the CEO evaluation results, the Human Resource Compensation Committee reviews and makes recommendations to the Board regarding the CEO's compensation. 	Yes
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NI 58-101F1, sections 7(c)

(c) If the board has a compensation committee, describe the responsibilities, powers and operation of the committee.	The Human Resources and Compensation Committee serves as SIGA's compensation committee. This is a standing committee and serves as an advisory committee and is appointed by the Board. The Human Resources Committee's core responsibilities are identified above.	Yes
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NP 58-201, section 3.17

3.17 The compensation committee should be responsible for: reviewing and approving corporate goals and objectives relevant to CEO compensation, evaluating the CEO's performance in light of those corporate goals and objectives, and determining the CEO's compensation level based on the evaluation; making recommendations to the board respecting non-CEO officer and director compensation, incentive-compensation plans and equity-based plans; and reviewing executive compensation prior to public disclosure.	The Board shall evaluate the performance of the President & CEO annually. The Governance Committee oversees the evaluation of the President & CEO. They are responsible to ensure that the evaluation results are reported in writing to the Board. The President & CEO shall be held to account for achieving the Board's ends directives, as stated in the corporate Strategic Plan, and for complying with management limitations policies prescribed by the Board. The results of the CEO's performance are approved by the full Board. This policy is monitored by the Chair of the Board.	Yes
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NI 58-101F1, sections 7(d)

(d) If a compensation consultant has been retained, at any time during the Corporation's most recently completed fiscal year, to assist in determining compensation for any of the Corporation's directors and officers, disclose the identity of the consultant and briefly summarize their mandate. If retained to perform any other work, state that fact and briefly describe the nature of the work.	In 2007/08, the corporation retained the services of Mercer Consultants, Ailsa Forsgren to collect and analyze market data for Directors remuneration as per policy requirement B03-032 Governance Committee Mandate 6.1F.	Yes
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OTHER BOARD COMMITTEES**NI 58-101F1, section 8**

8 If the board has standing committees of the board, other than audit, compensation and nominating committees, identify the committees and describe their function.	<p>The SIGA Board has the following standing committees in place: Audit and Finance, Ethics Advisory, Governance and Human Resources and Compensation. All committees have comprehensive mandates that meet the policy requirements. The core responsibilities for each committee are listed below.</p> <p>Audit and Finance Committee</p> <p>The Board has approved a mandate for the Audit and Finance Committee and the core responsibilities are:</p> <p>Internal Audit</p> <ul style="list-style-type: none"> • Review as required and recommend to the Board the Internal Auditor's mandate and the structure of the internal audit function. • Recommend to the Board the appointment, reappointment or dismissal of the internal auditor. 	Yes
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NI 58-101F1, section 8 continued...

- Ensure Internal Audit's independence through direct communication with the Audit and Finance Committee, review and approve the annual plans, accomplishments and cost of the internal auditor and report to the Board the nature of any matter from the internal auditor's report that remains unresolved.
- Review the quality of service and performance of the internal auditor.

External Audit

- Represent the shareholders in all dealings with the external auditors, recognizing that the external auditors are accountable to the board members and the audit committee as representatives of the shareholders.
- Recommend to the Board the appointment, reappointment or dismissal of an external auditor.
- Establish the independence of the external auditor.
- Review the annual audited financial statements prior to their submission to the Board for approval. This review shall include an in-camera meeting with the external auditor/ Provincial Auditor.

Finance

- Review and recommend to the Board key financial targets and the operating and capital budgets including significant budget assumptions.
- Review and report to the Board monthly financial results, including a comparison of actual to budgeted results with reasons for significant variances and financial forecasts.
- Review and report to the Board periodically on operating results (i.e., progress relative to the strategic plan and the business plan).
- Review and report to the Board any changes in accounting policies or significant transactions that impact the financial statements.

Other

- Oversee the Authority's risk assessment and risk management processes.
- Understand the Authority's systems of internal control for ensuring compliance with legal, ethical, code of conduct, regulatory and financial reporting requirements, and periodically review the adequacy of the systems with both the external auditor and the internal auditor.

Ethics Advisory Committee

The Board has approved a mandate for the Ethics Advisory Committee with core responsibilities for:

- Monitoring best practices in corporate ethics and annually reviewing the Authority's ethics policies, processes and practices to ensure that the Authority continues to exemplify high standards of corporate ethics.
- Annually receive and consider Directors' and Senior Managers' Conflict of Interest Declaration Forms. When necessary, make recommendations to the Board regarding actual, potential and perceived conflicts of interest.
- When necessary, engage the Internal Auditor to undertake investigations into allegations of wrongdoing. Make appropriate recommendations to the Board and/or President & CEO.

NI 58-101F1, section 8 continued...

Governance Committee

The Board has approved a mandate with the following specific functions, duties and responsibilities.

- Monitor best practices for governance and annually review the Authority's governance practices to ensure that the Authority continues to exemplify high standards of corporate governance.
- Develop and recommend corporate governance structures, principles, practices, and policies.
- Review the structure, composition, mandate and membership at least annually for the Board and each committee and recommend to the Board any amendments as deemed necessary or advisable.
- Oversee the evaluation of the Board and its committees.
- Oversee the orientation and on-going education of Board members.
- Review annually the level and nature of compensation for Directors.
- Oversee the Authority's processes for providing information to the Board.
- Receive a report from the President/CEO on an annual basis, that the corporation has met its legal requirements and obligations.
- Develop and recommend position descriptions for the Board, Board Chair, individual board members, and President/CEO.
- Recommend to the Board the appointment/dismissal of the President/CEO.
- Oversee the evaluation of the President/CEO. Ensure evaluation results are reported in writing to the Board.
- Review in advance any plans for changes to the organization structure and reporting relationships pertaining to the Senior Executive Team as defined in 3.3 above, and make appropriate recommendations to the Board in order to assist the Board in coming to a decision whether to approve the proposed changes.
- Recommend succession plans for the President/CEO.
- Develop guidelines, measures and means of assessing intergovernmental and Member relations.
- Ensure there is a communications policy in place for the Authority.
- If necessary, engage the Internal Auditor, through the Audit & Finance Committee, to audit the integrity the President/CEO's representations on performance.

Human Resources and Compensation Committee

- Annually review and monitor Senior Executive Team contracts, compensation and benefit programs and recommend changes, where appropriate.
- Annually review and monitor other Senior Management Positions' compensation and benefit programs and any proposed changes and report to the Board for information in advance of any such changes being implemented.

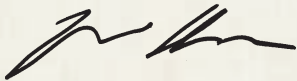
NI 58-101F1, section 8 continued...

- Annually review and monitor management and staff compensation and benefit programs and policies and recommend changes or new programs, where appropriate.
- Ensure there is ongoing executive development programs that help promising individuals within the organization develop the critical skills identified in the succession plan.
- Annually review the administration of all management and staff benefit and compensation plans to ensure conformity with approved policies.
- Review the President/CEO's evaluation of Senior Management and ensure evaluation results are reported in writing to the Board.
- Other human resources and compensation governance responsibilities assigned by the Board that do not fall within the mandate of the Governance Committee, as set out in Policy No. B03-032, Governance Committee Mandate or the Audit & Finance Committee, as set out in Policy No. B03-033, Audit & Finance Committee Mandate.
- Review on a regular basis the mechanisms that management has in place for the recruitment and to monitor the retention of employees, with a process for monitoring risk.
- To include a host area representative on the interview and selection committee for site General Manager positions.
- To include SLGA on the interview and selection committee for the Sr. Vice-President, Finance & Administration.
- The Human Resource and Compensation Committee and President/CEO will be responsible for monitoring compliance to policy B04-005 SIGA Executive Management Employment Contracts Policy.

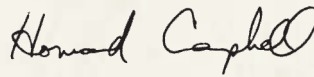
MANAGEMENT'S REPORT

Management is responsible for the preparation of financial statements in accordance with Canadian generally accepted accounting principles. Management has developed internal controls over the financial reporting process that are designed to provide assurance that reasonably reliable financial information is produced. The Board of Directors of the Saskatchewan Indian Gaming Authority oversees management in the performance of its financial reporting responsibilities. As such, the financial statements for the year ended March 31, 2008 have been approved by the Board.

The Audit and Finance Committee acts as a liaison between the internal and external auditors and the Board of Directors. The committee monitors internal controls over the financial reporting process, auditing matters and financial reporting issues. The Provincial Auditor has examined the corporation's financial statements and issued an Auditor's Report in this annual report.



Zane Hansen
President and CEO
Saskatoon, Saskatchewan
June 13, 2008



Howard Campbell
Senior Vice President of Finance and Administration
Saskatoon, Saskatchewan
June 13, 2008





SASKATCHEWAN

Provincial Auditor Saskatchewan

1500 Chateau Tower
1920 Broad Street
Regina, Saskatchewan
S4P 3V2

Phone: (306) 787-6398
Fax: (306) 787-6383
Web site: www.auditor.sk.ca
Internet E-mail: info@auditor.sk.ca

AUDITOR'S REPORT

To the Members of the Saskatchewan Indian Gaming Authority Inc.

I have audited the consolidated balance sheet of the Saskatchewan Indian Gaming Authority Inc. as at March 31, 2008 and the consolidated statements of gaming operations, and cash flows for the year then ended. The Authority's management is responsible for preparing these financial statements. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Saskatchewan Indian Gaming Authority Inc. as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
June 13, 2008

Fred Wendel, CMA, CA
Provincial Auditor

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Consolidated Balance Sheet

March 31, 2008, with comparative figures for 2007

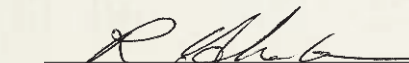
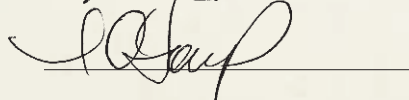
	2008	2007
Assets		
Current assets:		
Cash	\$ 13,914,438	\$ 6,724,442
Short-term investments	22,267,888	7,228,279
Accounts receivable (Note 6)	3,259,036	562,897
Inventory	482,154	284,247
Prepays	1,617,660	1,349,408
	41,541,176	16,149,273
New casino projects (Note 3)	8,745,219	38,190,739
Capital assets (Note 7)	66,925,692	7,164,346
	\$ 117,212,087	\$ 61,504,358

Liabilities

Current liabilities:		
Due to Saskatchewan Liquor and Gaming Authority (Note 8)	\$ 37,805,428	\$ 24,874,031
Accounts payable and accrued liabilities (Note 9)	17,817,707	16,608,421
Current portion of capital lease (Note 11)	230,645	—
Current portion of long-term debt (Note 10)	2,270,288	20,021,906
	58,124,068	61,504,358
Long-term debt (Note 10)	42,725,991	—
Capital lease obligation (Note 11)	16,362,028	—
Uncommitted net proceeds of table operations (Note 4)	—	—
Commitments (Note 12)		
Contingencies (Note 15)		
	\$ 117,212,087	\$ 61,504,358

See accompanying notes to the consolidated financial statements.

On behalf of the Board:

 Director
 Director

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Consolidated Statement of Gaming Operations

Year ended March 31, 2008, with comparative figures for 2007

	2008	2007
Revenue (Note 1):		
Slot	\$ 178,307,308	\$ 122,151,361
Table	7,166,629	4,808,231
Ancillary operations gross profit	5,491,498	3,378,209
	190,965,435	130,337,801
Less: Promotional allowance (Note 2)	6,386,666	4,242,633
Net revenue	184,578,769	126,095,168
Expenses (Note 1):		
Salaries and benefits	54,881,043	38,246,660
General and administrative (Schedule 1)	26,488,624	16,029,509
Other operating (Schedule 2)	20,916,645	11,799,481
Advertising, promotion and sponsorships	15,525,028	8,354,943
Building repairs and maintenance	1,900,863	1,047,592
	119,712,203	75,478,185
Income before the following:	64,866,566	50,616,983
Payment to Indigenous Gaming Regulators Inc. (Note 12)	2,925,230	1,780,065
Payment to Saskatoon Prairieland Park Corporation (Note 12)	1,670,432	–
Net income due to Saskatchewan Liquor and Gaming Authority (Notes 1 and 8)	\$ 60,270,904	\$ 48,836,918

See accompanying notes to the consolidated financial statements.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Consolidated Statement of Cash Flows

Year ended March 31, 2008, with comparative figures for 2007

	2008	2007
Cash flows from (used in):		
Operations:		
Net income due to Saskatchewan Liquor and Gaming Authority (Note 8)	\$ 60,270,904	\$ 48,836,918
Items not involving cash:		
Amortization	5,491,638	2,247,613
(Gain) on disposal of capital assets	(19,203)	—
Change in non-cash operating working capital:		
Accounts receivable	(2,696,139)	273,226
Inventory	(197,907)	87,556
Prepays	(268,252)	81,104
Accounts payable and accrued liabilities	1,209,286	(1,263,025)
Payments to Saskatchewan Liquor and Gaming Authority (Note 8)	(52,339,507)	(41,808,373)
	11,450,820	8,455,019
Financing:		
Bridge financing advanced	—	20,000,000
Repayment of bridge financing	(20,000,000)	—
Long-term financing advanced	44,996,279	—
Capital reserve (Note 1)	5,000,000	—
Repayment of capital lease obligation	(364,881)	—
Repayment of long-term debt	(21,906)	(64,235)
	29,609,492	19,935,765
Investing:		
Purchase of capital assets	(5,093,303)	(2,142,823)
Investment in new casino projects (Note 3)	(13,765,164)	(29,326,604)
Proceeds on disposal of capital assets	27,760	—
	(18,830,707)	(31,469,427)
Increase (decrease) in cash position	22,229,605	(3,078,643)
Cash position, beginning of year	13,952,721	17,031,364
Cash position, end of year	\$ 36,182,326	\$ 13,952,721
Cash consists of:		
Cash	\$ 13,914,438	\$ 6,724,442
Short-term investments	22,267,888	7,228,279
	\$ 36,182,326	\$ 13,952,721

See accompanying notes to the consolidated financial statements.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Notes to the Consolidated Financial Statements

Year ended March 31, 2008

1. General information:

Saskatchewan Indian Gaming Authority Inc. (SIGA) is incorporated under the *Non-profit Corporations Act, 1995* of Saskatchewan as a Charitable Corporation. The Federation of Saskatchewan Indian Nations (FSIN) owns the only issued Class A Membership in SIGA. Class B Memberships in SIGA were issued to each of nine Tribal Councils in Saskatchewan that are recognized by the Saskatchewan Indian Gaming Commission of the FSIN. The Government of Saskatchewan and the FSIN made a Framework Agreement in 2002 that authorizes SIGA to operate casinos. SIGA operates five casinos on reserves in accordance with the 2002 Casino Operating Agreement (Agreement) with Saskatchewan Liquor and Gaming Authority (SLGA). SLGA is responsible for the overall conduct and management of the slot machines in those casinos as required under *The Criminal Code of Canada*. Under the Agreement, SIGA is entitled to withhold the casinos' operating expenses, incurred in accordance with the operating policies and directives approved by SLGA, from slot machine revenues. SIGA is required to deposit the remainder into a trust account for SLGA in accordance with the procedures and formulas specified in the Agreement as outlined below. Under the Agreement, SIGA is entitled to recover, in any year, any net loss from the operation of licensed table games and ancillary operations from the net income earned from the operation of slot machines. The Agreement provides for SIGA to use any net income from the operation of licensed table games for charitable or religious objects or purposes. The Agreement expires on June 10, 2027.

The Agreement also provides for SIGA to remit to SLGA the net income from the operation of the slot machines in the SIGA casinos. More specifically, net income from the operation of slot machines is remitted to SLGA in accordance with a formula as defined in the Agreement. This formula provides for SIGA to remit to SLGA, on a weekly basis, one-half of the amount by which actual slot machine gaming revenue exceeds one-fifty-second of SIGA's annual budget. Shortfalls in weekly slot machine gaming revenue as compared to budget are recoverable against future remittances. The remaining one-half of the amount determined above is remitted to SLGA within one-hundred and eighty days of the applicable week. Pursuant to the Agreement, if, at the end of any operating year, SIGA has not been fully reimbursed for amounts to which it is entitled for the operation of casinos, such amounts may be recovered from future operations. SIGA is allowed to retain \$5,000,000 as a capital reserve for the sole purpose of acquiring capital assets.

Also, under the Agreement, SIGA has granted a first charge security interest on all its present and after acquired assets to SLGA to secure contractual obligations of SIGA under the Agreement. However, the Agreement requires that upon joint written request by SIGA and its lenders, SLGA shall postpone such security in favour of the lenders who require a prior charge relating to funds lent to SIGA for the financing of its operations carried out in accordance with the Agreement.

On June 11, 2002, the Government of Saskatchewan and the FSIN signed a new gaming Framework Agreement which expires on June 10, 2027. The Government must distribute, in accordance with the provisions of the Framework Agreement, the net income remitted to SLGA. Under the provisions of the 2002 Framework Agreement, the Government of Saskatchewan, as represented by the Minister responsible for SLGA, is entitled to recover its proportion of expenses that SLGA determines are not in accordance with the approved operating policies and directives from the future amounts payable to the First Nations Trust Fund.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Notes to the Consolidated Financial Statements

Year ended March 31, 2008

2. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The following is a summary of significant accounting policies:

(a) Basis of consolidation:

The consolidated financial statements include the accounts of SIGA and its subsidiary companies – 621086 Saskatchewan Ltd. and 601616 Saskatchewan Ltd. On consolidation, all significant inter-company transactions and balances are eliminated. Effective March 31, 2008, the subsidiary companies were wound up and all of the assets and liabilities were transferred to SIGA.

(b) Inventory:

Inventory is recorded at the lower of cost and net realizable value.

(c) Capital assets:

Capital assets are recorded on the balance sheet at cost. Amortization is recorded in the accounts on a straight-line basis commencing in the month the asset is put in use, at rates expected to amortize the cost of the assets over their estimated useful lives as follows:

Asset	Rate
Leasehold improvements	lesser of the useful life of the asset and term of the lease
Casino development costs	term of the lease
Security equipment	5 years
Gaming tables and equipment	5 years
Signage and interior design	5 years
Office furniture and equipment	5 years
Coin handling equipment	5 years
Computer equipment	5 years
Restaurant equipment	5 years
Automobiles	4 years
Artwork	5 years
Casino pre-operating costs	5 years
Computer software	1 year

(d) Slot and table revenues

Slot and table revenues represent the net win from those gaming activities calculated as the difference between amounts wagered and prizes paid by the casino. Slot and table revenues are net of accruals for anticipated payouts of progressive jackpots.

(e) Commitment of net proceeds of table operations:

Liabilities are recorded when amounts to be distributed are approved by the Board of Directors.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Notes to the Consolidated Financial Statements

Year ended March 31, 2008

2. Significant accounting policies – continued:

(f) Allocation of expenses:

(i) Table operations

Costs allocated to table operations include actual direct expenses, and an allocation of indirect site expenses based on the percentage of gross table revenue to total revenue on an individual casino site basis.

Central office costs are allocated to table operations based on a percentage of gross table revenue to total revenue. These central office costs are then allocated to each casino site based on the percentage of each casino site's table net income to all casinos' table net income before the allocation of indirect site expenses.

(ii) Slot machine operations

Costs allocated to slot machine operations include actual direct expenses, and an allocation of indirect site expenses based on the percentage of gross slot revenue to total revenue on an individual casino site basis.

All remaining central office costs net of table games and ancillary allocations are allocated to slot operations. These central office costs are then allocated to each casino site based on the percentage of each casino site's slot net income to all casinos' slot net income before the allocation of indirect site expenses.

(iii) Ancillary operations

Costs allocated to ancillary operations include actual direct expenses, and an allocation of indirect site expenses based on the percentage of gross ancillary revenue to total revenue on an individual casino site basis.

Central office costs are allocated to ancillary operations based on a percentage of gross ancillary revenue to total revenue. These central office costs are then allocated to each casino site based on the percentage of each casino site's ancillary net income to all casinos' ancillary net income before the allocation of indirect site expenses.

(g) Promotional allowance:

SIGA offers a customer loyalty program to its patrons. As part of the program, members accumulate points based on amounts wagered on slot machines. Members can redeem their points for cash. SIGA records the points accumulated as a liability and a promotional allowance.

(h) Pension expenses:

SIGA's matching contributions to the defined contribution pension plan for employees are recorded as expenses as incurred.

(i) Short-term investments:

Short-term investments consist of investments in a Canadian money market fund and a guaranteed investment certificate. The guaranteed investment certificate earns interest at an annual rate of 4.1% and matures on May 28, 2008.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Notes to the Consolidated Financial Statements

Year ended March 31, 2008

2. Significant accounting policies – continued:

(j) Use of estimates:

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates that affect the reported value of assets and liabilities and the disclosure of contingent liabilities and commitments at the date of the financial statements and the amounts of revenues and expenses for the year then ended. The most significant estimates are related to the physical and economic lives of capital assets. Actual results could differ from those estimates.

(k) Financial instruments:

Effective April 1, 2007, SIGA adopted the recommendations of the Canadian Institute of Chartered Accountants (CICA) Handbook Section 3855 – Financial Instruments – Recognition and Measurement. Under these new standards, all financial assets and financial liabilities must be identified and classified. This classification determines how each financial instrument is measured. This change in accounting policy did not have a significant impact on SIGA's financial statements at the time of adoption.

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below.

Cash is classified as held-for-trading and is recorded at fair value. Short-term investments are classified as held-for-trading and are recorded at cost. Accounts receivable are classified as loans and receivables and are recorded at amortized cost. Cost approximates fair value due to the short-term nature of these instruments.

Accounts payable and accrued liabilities are classified as other liabilities and are recorded at amortized cost. Due to SLGA is classified as other liabilities and is recorded at amortized cost. Amortized cost approximates fair value due to the short-term nature of these instruments. Long-term debt is classified as other liabilities and is recorded at amortized cost. Fair value information is disclosed in Note 10.

SIGA does not have any outstanding contracts or financial instruments with embedded derivatives that are required to be separately valued.

(l) Recent accounting pronouncements:

Effective April 1, 2008, SIGA will be required to adopt CICA Handbook Sections 3862 – Financial Instruments – Disclosures, and 3863 – Financial Instruments – Presentation. Section 3862 provides standards for disclosure of the risks arising from financial instruments to which SIGA is exposed, and how the risks are managed by SIGA. Section 3863 provides standards for the presentation of financial instruments and non-financial instrument derivatives. SIGA does not expect the adoption of these new standards to have a material impact on its financial statements.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Notes to the Consolidated Financial Statements

Year ended March 31, 2008

3. New Casino Projects:

Dakota Dunes Casino

On December 23, 2004, SIGA entered into an agreement with STC Casino Holdings Limited Partnership (STC), a related party, for the development and lease of a new casino. The new casino is located on the Whitecap Dakota First Nation near Saskatoon. The total cost to SIGA of the new casino was \$43,210,684 excluding approximately \$11 million in costs for slot machines placed in the new casino. SIGA was responsible for purchasing the slot machines. SIGA agreed to pay STC certain amounts up front. SIGA agreed to pay STC \$85,000 for access to the premises during the development stage. SIGA also agreed to pay STC a commissioning fee of \$560,000. In addition, SIGA paid STC \$4,730,000 for land development costs. SIGA also agreed to pay up to the amount by which the direct building construction costs exceed the net proceeds available to STC from its own financing. The direct building construction costs and the land development costs SIGA paid were \$17,415,761 and these are recorded as capital assets. The up-front costs do not have to be paid back by STC and will not be included in calculating the building lease payments as explained below.

Effective April 1, 2007, STC completed the building shell and SIGA commenced lease payments to STC until June 10, 2027. The lease payments for land are \$170,000 per year. The lease payments for the building are based on STC's direct construction costs which exclude up-front costs paid to STC by SIGA. These direct construction costs are multiplied by a set rate of return. The rate of return per year is equal to the long-term Government of Canada bond rate in effect when the lease payments commence plus 9%. The monthly building lease payment at April 1, 2007 is \$124,965 based on an annual rate of return of 13.2%. This monthly payment increased on June 1, 2007 by \$62,440 per month due to an additional STC contribution of \$5,600,000 towards the base building costs. The additional monthly payment is based on an annual rate of return of 13.38%. SIGA has recorded the lease with STC as a capital lease (see Note 11).

Dakota Dunes Casino opened to the public on August 10, 2007.

Living Sky Casino

On January 25, 2006, SIGA entered into an agreement with FHQ Casino Holdings Limited Partnership (FHQ), a related party, for the development and lease of a new casino. The new casino will be located in Swift Current. The total cost to SIGA of the new casino is estimated to be \$19 million. SIGA agreed to pay FHQ certain amounts up front. SIGA agreed to pay FHQ \$100,000 for access to the premises during the development stage. SIGA also agreed to pay FHQ a commissioning fee of \$360,000. In addition, SIGA agreed to pay FHQ at least \$8,954,000 of the total building construction costs subject to approval of the project budget. The up-front costs do not have to be paid back by FHQ and will not be included in calculating the building lease payments as explained below.

On the second month after the building shell has been completed, SIGA will commence lease payments to FHQ until June 10, 2027. The lease payments for land are as follows: \$128,800 for the first five years, \$147,749 annually for years six through ten, \$169,209 annually for years eleven through fifteen and \$169,209 thereafter adjusted for changes in the Consumer Price Index. The lease payments for the building will be determined based on FHQ's direct construction costs which exclude up-front costs paid to FHQ by SIGA. These direct construction costs will be multiplied by a set rate of return. The rate of return per year is equal to the long-term Government of Canada bond rate in effect when the lease payments commence plus 9%.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Notes to the Consolidated Financial Statements

Year ended March 31, 2008

3. New Casino Projects – continued:**Painted Hand Casino**

On October 26, 2005, SIGA entered into an agreement with PHC Holding Limited Partnership (PHC) a related party, for the development and lease of a new casino. The new casino will be located on the Kahkewistahaw First Nation in Yorkton and will replace the existing Painted Hand Casino. The total cost to SIGA of the new casino is estimated to be \$18 million. SIGA agreed to pay PHC certain amounts up front. SIGA agreed to pay PHC \$100,000 for access to the premises during the development stage. SIGA also agreed to pay PHC a commissioning fee of \$430,000. In addition, SIGA agreed to pay PHC an amount by which the direct construction costs exceed \$12,000,000. The up-front costs do not have to be paid back by PHC and will not be included in calculating the building lease payments as explained below.

On the second month after the building shell has been completed, SIGA will commence lease payments to PHC until June 10, 2027. The lease payments for land are as follows: \$104,000 for the first five years, \$119,300 annually for years six through ten, \$136,628 annually for years eleven through fifteen and \$136,628 thereafter adjusted for changes in the Consumer Price Index. The lease payments for the building will be determined based on PHC's direct construction costs which exclude up-front costs paid to PHC by SIGA. These direct construction costs will be multiplied by a set rate of return. The rate of return per year is equal to the long-term Government of Canada bond rate in effect when the lease payments commence plus 9%.

Included under the new casino projects are the following:

			2008	2007
	FHQ	PHC	Total	Total
Commissioning costs	\$ 360,000	\$ 400,000	\$ 760,000	\$ 1,100,000
Construction progress payments	3,289,010	595,351	3,884,361	30,939,340
Costs paid directly by SIGA	1,901,445	2,199,413	4,100,858	6,151,399
	\$ 5,550,455	\$ 3,194,764	\$ 8,745,219	\$ 38,190,739

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Notes to the Consolidated Financial Statements

Year ended March 31, 2008

4. Uncommitted net proceed of table operations:

The Casino Operating Agreement provides for SIGA to use any net income from the operation of licensed table games for charitable or religious objects or purposes. Distributions of funds were made during the year as follows:

	2008	2007
Balance, beginning of year	\$ –	\$ –
Net loss from table operations (Note 14)	(1,105,650)	(767,184)
	(1,105,650)	(767,184)
Net loss from table operations allocated to slot operations	1,105,650	767,184
Amounts disbursed	–	–
Balance, end of year	\$ –	\$ –

5. Pension plan:

Effective April 1, 1997, SIGA established a pension plan for employees. The plan is a defined contribution plan administered by Great West Life. Substantially all of SIGA's full-time employees participate in the plan. SIGA's financial obligation is limited to matching the required amounts contributed by employees, which totalled \$2,322,028 (2007 – \$1,737,643). Employees are required to contribute 6% of salary to the plan.

6. Accounts receivable:

	2008	2007
Accounts receivable	\$ 399,700	\$ 68,169
GST input tax credits receivable	1,553,391	339,948
Advances to suppliers, contractors and employees	90,514	154,780
Casino development costs receivable	1,215,431	–
	\$ 3,259,036	\$ 562,897

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Notes to the Consolidated Financial Statements

Year ended March 31, 2008

7. Capital assets:

			2008	2007
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Leasehold improvements	\$29,750,256	\$10,332,046	\$19,418,210	\$ 3,569,894
Casino development – Dakota Dunes Casino	34,373,316	1,360,677	33,012,639	–
Casino development – Preoperating costs	3,370,549	433,098	2,937,451	–
Office furniture and equipment	5,039,905	2,376,550	2,663,355	470,519
Security equipment	4,256,485	1,585,974	2,670,511	852,727
Signage and interior design	2,998,880	1,843,131	1,155,749	202,378
Gaming tables and equipment	1,292,442	678,584	613,858	75,848
Restaurant equipment	1,580,094	989,938	590,156	89,557
Coin handling equipment	1,230,192	651,040	579,152	411,525
Automobiles	1,187,330	623,274	564,056	139,400
Computer equipment	3,239,109	1,618,685	1,620,424	980,295
Artwork	381,182	339,848	41,334	50,638
Computer software	1,480,418	1,113,372	367,046	14,596
Construction in progress	193,891	–	193,891	306,969
Software implementation in progress	497,860	–	497,860	–
	\$90,871,909	\$23,946,217	\$66,925,692	\$ 7,164,346

Construction in progress represents leasehold improvement projects which have not yet been completed at existing casinos. Software implementation in progress represents consultant costs incurred to assist with the implementation of new software which has not yet been implemented.

Included in the above is the following asset under capital lease:

			2008	2007
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Base Building Costs – Dakota Dunes Casino	\$16,957,555	\$ 796,518	\$16,161,037	\$ –

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Notes to the Consolidated Financial Statements

Year ended March 31, 2008

8. Due to Saskatchewan Liquor and Gaming Authority:

	2008	2007
Net income related to slot operations (Note 14)	\$ 72,115,563	\$ 54,475,549
Net loss related to table operations (Note 14)	(1,105,650)	(767,184)
Net loss related to ancillary operations (Note 14)	(6,143,347)	(3,091,382)
Indigenous Gaming Regulators Inc. (Note 14)	(2,925,230)	(1,780,065)
Saskatoon Prairieland Park Corporation (Note 14)	(1,670,432)	–
	60,270,904	48,836,918
Balance, beginning of year	24,874,031	17,845,486
Capital reserve (Note 1)	5,000,000	–
Payments to Saskatchewan Liquor and Gaming Authority	(52,339,507)	(41,808,373)
Balance, end of year	\$ 37,805,428	\$ 24,874,031

Also, \$4,739,028 (2007 – \$3,488,373) due to SLGA for slot machine and operating system reimbursement is included in accounts payable and accrued liabilities.

9. Accounts Payable and Accrued Liabilities:

SIGA is required to pay SLGA an amount equivalent to the imputed goods and services tax (GST) that is payable by SLGA on gaming expenses incurred by SIGA related to its slot machine operations. Included in accounts payable and accrued liabilities are amounts owing to SLGA for imputed goods and services tax of \$983,701 (2007 – \$1,148,967).

10. Long-Term Debt:

New Casino Projects Financing

In 2006, SIGA entered into an agreement with a financial institution (Bank) to provide \$20 million in bridge financing for the construction of the Dakota Dunes Casino. The bridge loan was repayable on demand or upon SIGA entering into a long-term financing arrangement with the Bank.

In 2007, SIGA entered into a long-term financing agreement with the Bank for \$79 million to finance all of its new casino projects. The Bank syndicated this financing with a secondary lender to provide SIGA with \$20 million. The Bank, as the lead lender, is providing SIGA with the remaining \$59 million. In 2007, SIGA used the secondary lender's \$20 million to repay the bridge financing. SIGA will amortize this loan over the next 15 years with a 5.68% fixed interest rate for the next 6.5 years. This loan is referred to as Term Loan Tranche D – Fixed Rate.

SIGA is drawing on the remaining approved financing to complete the construction of new casinos. During construction of the new casinos, SIGA's interim financing from the Bank is by way of either a prime rate advance or a bankers' acceptance. During the construction phase of each project, SIGA only pays interest monthly on the outstanding balance. Upon completion of construction, outstanding amounts for each project are converted to long-term loans. The final terms of the long-term loans are determined upon the completion of construction.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Notes to the Consolidated Financial Statements

Year ended March 31, 2008

10. Long-Term Debt – continued:

In 2007, the Bank advanced interim financing of \$21,802,749 related to construction of the Dakota Dunes Casino. This loan is referred to as Construction Facility Tranche A – Floating Rate. On March 31, 2008, this interim financing was converted to a long-term loan. SIGA will amortize this loan over the next 15 years with a variable interest rate based on bankers acceptance rate plus 1%. This loan is referred to as Term Loan Tranche D – Floating Rate.

Also, in 2007 the Bank advanced interim financing of \$3,193,530 related to construction of the Living Sky Casino. This loan is referred to as Construction Facility Tranche B.

The long-term financing agreement is secured by a general security agreement and mortgage of leasehold interest of SIGA's casinos.

The long-term debt obligations are as follows:

Construction Facility Tranche B (interest payable only at prime – 5.25% at March 31)	3,193,530
Term Loan Tranche D – Fixed Rate (repayable in monthly installments of \$165,355 including interest at 5.68%, maturity April 2023)	20,000,000
Term Loan Tranche D – Floating Rate (repayable in monthly installments of \$116,667 plus interest at 4.59%, maturity April 2023)	21,802,749
	44,996,279
Less current portion	(2,270,288)
	\$ 42,725,991

Principal repayments required for the above loans are as follows:

2009	\$ 2,270,288
2010	2,321,047
2011	2,374,765
2012	2,431,617
2013	2,491,784
2014 and subsequent	33,106,778

The carrying value of the long-term debt approximates its fair value as the interest rates and terms are similar to what would be currently available for debt of similar terms and maturities.

In order to manage its interest rate risk exposure, SIGA entered into separate interest rate swap arrangements for the Dakota Dunes, Living Sky and Painted Hand construction projects on December 12, 2007. These arrangements will fix the interest rates for the loan for each construction project at 4.94%, 5.09% and 5.09% respectively over the term of the loans. The interest rate swap arrangements come into effect for the Dakota Dunes construction project on April 1, 2008 and the Living Sky and Painted Hand construction projects on April 1, 2009. A liability has been set up for \$835,840 which represents the difference between the fixed rate to be paid and the variable rate to be received at March 31, 2008. Changes in the liability amount are recorded as a gain or loss and are included in miscellaneous expenses.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Notes to the Consolidated Financial Statements

Year ended March 31, 2008

11. Capital Lease Obligation:

On December 23, 2004 SIGA entered into an agreement with STC Casino Holdings Limited Partnership, a related party, for lease of Dakota Dunes Casino on Whitecap Dakota First Nation.

The minimum lease payments under the capital lease obligation are as follows:

2009	\$ 2,248,477
2010	2,248,477
2011	2,248,477
2012	2,248,477
2013	2,248,477
2014 and subsequent	31,853,428
Total minimum lease payments	43,095,813
Amount representing interest	(26,503,140)
Balance of the obligation	16,592,673
Less current portion	(230,645)
	<u>\$ 16,362,028</u>

Due to the related party nature of the capital lease obligation, fair value information has not been disclosed as fair value cannot be reliably measured.

12. Commitments:

Leases:

SIGA has obligations under operating leases for buildings, equipment and vehicles. The minimum lease payments required under these operating leases over the next five years are as follows:

2009	\$ 3,623,847
2010	3,067,960
2011	2,967,417
2012	2,947,874
2013	2,921,851

The above commitments include amounts committed to related parties of \$1,245,231 for years 2009 through 2013.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Notes to the Consolidated Financial Statements

Year ended March 31, 2008

12. Commitments – continued:Slot machines:

The Casino Operating Agreement requires SLGA to supply slot machines and the slot management system to SIGA for use in its casinos and for SIGA to reimburse to SLGA the cost of these machines over the estimated useful life of the equipment. Included in expenses is \$11,894,319 (2007 – \$6,096,181) for reimbursement of the purchase of slot machines and the slot machine management system. SIGA estimates total costs over the next five years, based on the machines currently in use, as follows:

2009	\$ 8,193,527
2010	7,892,762
2011	7,192,668
2012	4,988,151
2013	1,012,329

Sponsorships:

SIGA has previously committed to providing sponsorship funding to various agencies subject to annual budget approval.

Commitments for ongoing sponsorships as at March 31, 2008 are as follows:

2009	\$ 100,000
2010	100,000

Other:

The Casino Operating Agreement requires SIGA, upon receiving direction from SLGA, to pay to Indigenous Gaming Regulators Inc. (IGR) the amount of IGR's annual operating budget. SLGA has directed SIGA to pay IGR \$2,607,128 for 2008/09 (2007/08 – \$2,925,230).

SIGA entered into an agreement with Saskatoon Prairieland Park Corporation (SPPC) regarding the maintenance of a certain level of SPPC's income when SPPC closed its casino. SIGA agreed to pay SPPC \$2,600,000 annually for 30 years payable in monthly installments of \$216,667. SIGA's obligation under this agreement was effective August 10, 2007. SIGA paid SPPC \$153,763 for August and commenced monthly payments of \$216,667 effective September 1, 2007.

SIGA entered into an agreement for a three year promotional event. SIGA's commitment is \$150,000 per year for each year of the agreement. The agreement ends in 2010-2011.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Notes to the Consolidated Financial Statements

Year ended March 31, 2008

13. Related party transactions:

Significant related parties to SIGA include the FSIN, holder of the Class A membership in SIGA, and entities related to the FSIN (including Saskatchewan Indian Institute of Technologies, National Indian Financial Corporation, the First Nations University of Canada and Indigenous Gaming Regulators Inc.). Related parties also include the Tribal Councils of Saskatchewan (and their related entities) that hold Class B memberships in SIGA. Transactions with related parties are recorded at exchange amounts agreed upon between the parties.

The following are balances outstanding with related parties at March 31, 2008 with comparison to the previous year:

	2008	2007
Accounts receivable	\$ 73,915	\$ 41,291
Accounts payable and accrued liabilities	\$ 557,170	\$ 420,416

Significant transactions with related parties throughout the year with comparison to the previous year are as follows:

	2008	2007
Other revenue	\$ 91,495	\$ 32,000
Advertising, promotion and sponsorships	1,699,977	354,373
Building rent and occupancy	1,681,709	1,377,920
Consulting	302,346	364,516
Other operating expenses	167,074	24,342
Travel and sustenance	32,887	122,753
Indigenous Gaming Regulators Inc. (Note 12)	2,925,230	1,780,065

Other transactions with related parties and amounts due to/from them are described separately in these consolidated financial statements and the notes thereto.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.

Notes to the Consolidated Financial Statements

Year ended March 31, 2008

14. Segmented Information:

SIGA operates in three segments – table operations, slot operations and ancillary operations. The following table shows key amounts by segment.

	SEGMENTS			2008	2007
	Slot operations	Table operations	Ancillary operations	Total	Total
Revenues	\$178,307,308	\$7,166,629	\$13,109,517	\$198,583,454	\$135,249,485
Less:					
Promotional allowance	6,386,666	–	–	6,386,666	4,242,633
Cost of sales	–	–	5,037,708	5,037,708	2,911,778
Elimination of inter-company transactions	–	–	2,580,311	2,580,311	1,999,906
Net revenue	171,920,642	7,166,629	5,491,498	184,578,769	126,095,168
Expenses	99,805,079	8,272,279	11,634,845	119,712,203	75,478,185
Income (loss) before the following:	72,115,563	(1,105,650)	(6,143,347)	64,866,566	50,616,983
IGR (Note 12)				2,925,230	1,780,065
Saskatoon Prairieland Park Corporation (Note 12)				1,670,432	–
Net income due to SLGA (Notes 1 and 8)				\$ 60,270,904	\$ 48,836,918

15. Contingencies:

SIGA enters into contractual arrangements with suppliers of services, products and facilities in the normal course of business. Contracts are subject to legal interpretation from time to time and disputes do arise. Management plans to account for such dispute resolutions in the year such disputes are settled.

16. Bank Indebtedness:

During the year, SIGA established a line of credit of \$2,000,000 with a bank. The line of credit is unsecured. Interest is charged on the line of credit at the bank's prime rate plus 1%. At year-end, SIGA did not have any amount owing on the line of credit.

17. Comparative Figures:

Certain comparative figures have been restated to conform with the current year's presentation.

SASKATCHEWAN INDIAN GAMING AUTHORITY INC.**Schedule of General and Administrative Expenses****Schedule 1**

Year ended March 31, 2008, with comparative figures for 2007

	2008	2007
Building rent and occupancy	\$ 6,802,663	\$ 6,219,573
Amortization	5,491,638	2,247,613
Imputed goods and services tax	3,966,114	2,611,495
Interest on capital lease obligation	1,758,716	–
Interest	1,484,852	12,543
Consulting	1,243,014	1,134,535
Legal	328,577	417,584
Software licenses and agreements	597,164	454,151
Miscellaneous	1,144,243	274,751
Telephone	415,885	354,736
Postage and stationery	764,494	538,314
Insurance	591,817	447,984
Staff benefits and recruitment	766,600	377,155
Accounting and internal audit services	379,928	309,355
Bank charges	162,603	137,028
Board remuneration and travel	490,629	354,881
Dues and subscriptions	99,687	137,811
	\$ 26,488,624	\$ 16,029,509

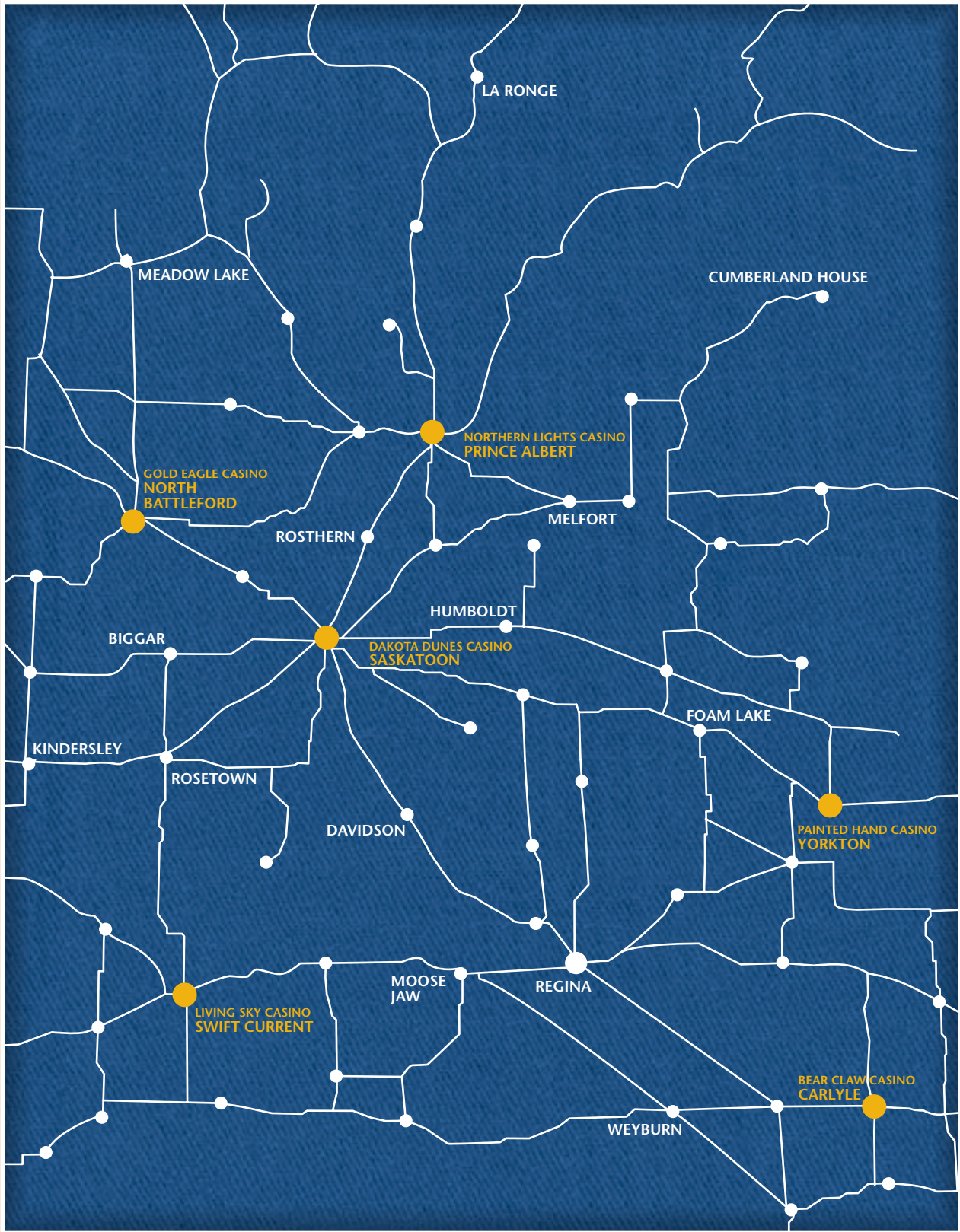
SASKATCHEWAN INDIAN GAMING AUTHORITY INC.**Schedule of Other Operating Expenses****Schedule 2**

Year ended March 31, 2008, with comparative figures for 2007

	2008	2007
Equipment lease	\$ 676,352	\$ 386,850
Slot machine and operating system reimbursement	11,894,319	6,096,181
Slot system maintenance reimbursement	3,526,019	2,391,408
Travel and sustenance	857,936	544,465
Uniforms and laundering	823,151	346,905
Departmental supplies	705,308	929,700
Printing	704,846	391,001
Other	673,272	310,442
Staff training	874,119	252,406
Equipment repairs	181,323	150,123
	\$ 20,916,645	\$ 11,799,481

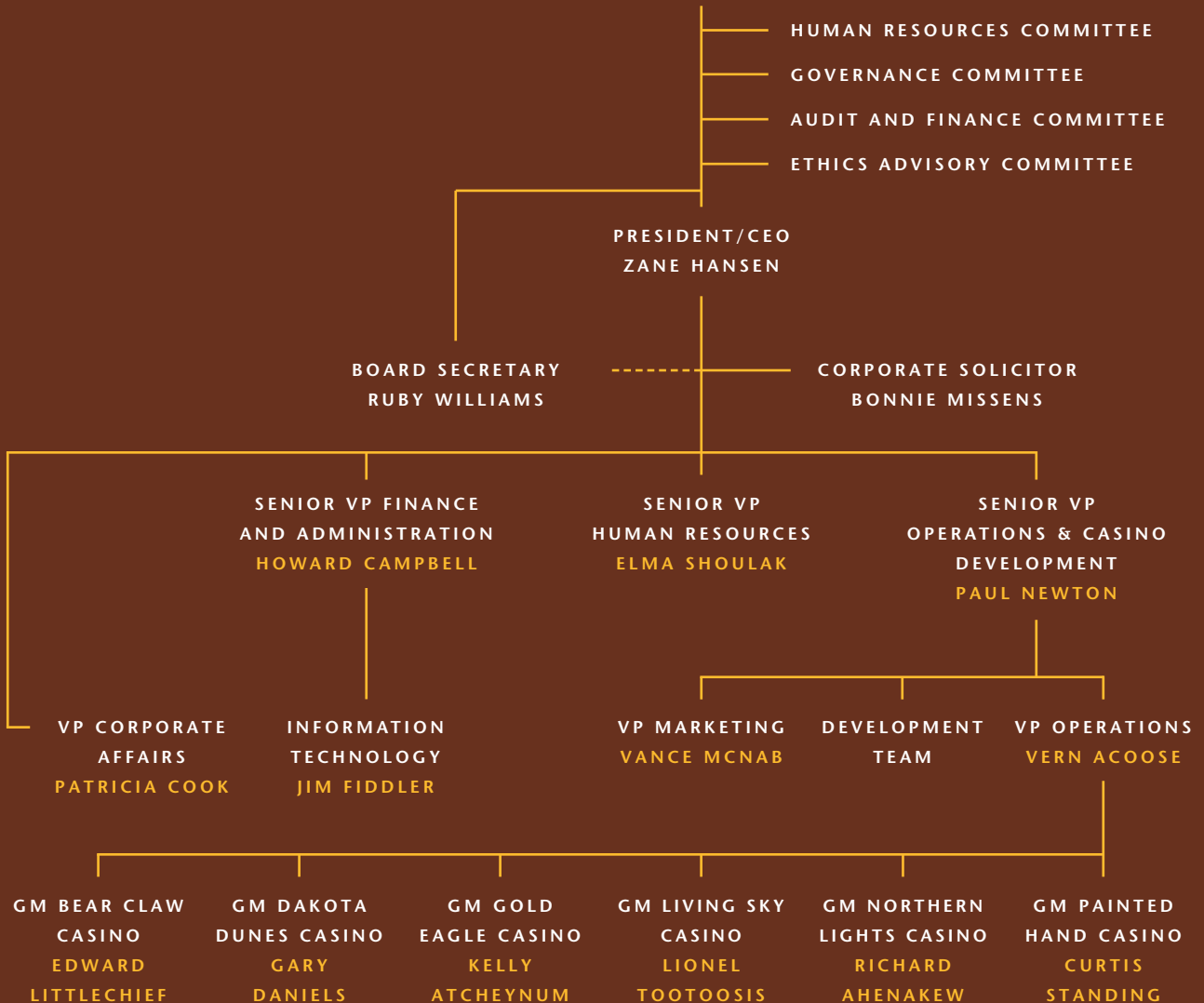


SIGA CASINOS



FEDERATION OF SASKATCHEWAN INDIAN NATIONS CHIEFS IN ASSEMBLY

SIGA BOARD



BEAR CLAW CASINO
White Bear First Nation
306.577.4577



DAKOTA DUNES CASINO
Saskatoon
306.667.6400



GOLD EAGLE CASINO
North Battleford
306.446.3833



LIVING SKY CASINO
Swift Current
306.778.5759
Scheduled to open in
December 2008



NORTHERN LIGHTS CASINO
Prince Albert
306.764.4777



PAINTED HAND CASINO
Yorkton
306.786.6777
New facility scheduled
to open early 2009



SIGA CENTRAL OFFICE
250-103C Packham Avenue
Saskatoon, SK S7N 4K4
306.477.7777
www.siga.sk.ca



BEAR CLAW CASINO
White Bear First Nation
306.577.4577



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