



May 2, 2011

To our Producers:

Following our meeting in Victoria in April, and in an effort to have open and ongoing dialogue with all partners in the Aboriginal Media production sector, I feel it is very important to clarify the role, mandate and vision as well as the important activities underway at Animiki See Digital Productions.

Since inception, APTN has focused on buying programs from the Northern members and independent Aboriginal producers. APTN has engaged in a limited amount of direct productions like *Aboriginal Day Live*, and News related or sports oriented content. Through licencing programs APTN has encouraged the growth of independent Aboriginal production companies. Such companies have grown from almost non-existent in 1999 to over 80 companies by 2011. With a fixed amount of resources APTN has had to look at opportunities that will allow ongoing financial sustainability and growth to keep meeting the growing expectations of our production sector.

One of the options that clearly allowed us to do this, both in a mentoring as well as a development tool, was for APTN to undertake some of its own productions in partnership with independent Aboriginal Producers. This would allow increasing financial resources and allowing APTN to have content that typically was associated with larger or more involved productions. While some of these are larger budget productions providing new revenues through tax credits to APTN, many are smaller productions that have allowed new producers to earn their initial credits with APTN.

Structurally, APTN could not access additional funds, i.e. tax credits and most CMF envelopes etc., as a broadcaster that is organized as a charity. In order to be able to take on a leadership role, APTN created a for-profit entity. That entity is Animiki See Digital Production Inc. (Animiki).

The Animiki concept is two-fold. The first is to develop signature series for APTN key programming blocks, which clearly reflect APTN values and showcase Aboriginal Peoples. In addition, by leveraging content, programs must also be licenced for international distribution as well as multi-platforms. This opens opportunities in the short to medium term to generate profits that will be reinvested in future productions. The second component is the development of new and emerging talent and the creation of lower budget series to provide new genres and formats to the network.

The mandate and vision for Animiki was developed with these goals in mind.

Animiki See's mandate is to

- Create signature programming that reflects Aboriginal perspectives and values to anchor APTN programming schedules.
- Operate in an entrepreneurial, profitable and sustainable manner so as to be able to fund and generate additional productions and ever-improved quality.
- Increase and develop Aboriginal production talent across Canada.

The vision and mission are as follows:

Vision and Mission

Animiki See's vision is to develop, fund and produce programming that will:

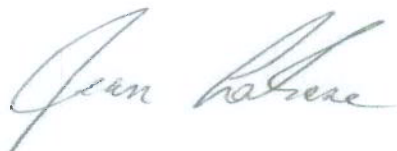
- Be truly reflective of our Peoples and their entertainment interests;
- Be high-quality and directed to, and of interest to, specific age groups and targets within the Aboriginal population of Canada;
- Be primarily focused on Drama and Kids programming and secondarily on Lifestyle and Aboriginal live events;
- Support the APTN mission statement;
- Generate additional revenue for the development and production of a wider range of programming, for television and any other platform of interest to our target groups.

Animiki See's mission is to produce, in partnership with Aboriginal producers from across Canada, original and captivating programming that reflects Aboriginal Peoples of Canada and will be of interest to other broadcasters in Canada and around the world. Animiki See will provide executive producer leadership and management to each project, create and develop program concepts, in consultation with APTN, and create partnerships for the development and production of programs that come in on time, on budget and of the highest quality.

As you can see, the goal has always been to work with our production community and to find new sources of revenue for the network. As an Aboriginal producer, you are aware of the challenges APTN has in funding new programming and this challenge will grow over the years unless new revenues are added to the network's bottom line. This means new and innovative revenue streams such as Animiki See as well as a renewed licence in 2012 with a higher subscriber fee to generate the programming that our community is demanding and richly deserves.

It has been a pleasure to meet many of you at recent meetings we have had across the country. We look forward to working with you for the success of all Aboriginal Peoples in Canada.

Sincerely,

A handwritten signature in cursive script that reads "Jean LaRose".

Jean LaRose
CEO
APTN