



For immediate release



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## **MEDIA RELEASE**

### **DE BEERS AND GNWT CONFIRM SNAP LAKE ARRANGEMENTS TO SUPPORT THE SECONDARY INDUSTRY**

***Yellowknife – February 19, 2007*** - De Beers Canada and the Government of the Northwest Territories (GNWT) are pleased to confirm the arrangements by which De Beers Canada intends to fulfill its political and contractual obligations to comply with the GNWT policy regarding support for the secondary diamond industry in the Northwest Territories (NWT).

Commencing in 2008, De Beers will make available for sale ten percent (10%) of diamonds from their Snap Lake Mine in the NWT, by value, in economically cuttable categories, to GNWT approved manufacturers who have successfully fulfilled the Diamond Trading Company's (DTC's) client selection criteria. The DTC is the sales and marketing arm of De Beers.

Snap Lake's production will be sorted in Yellowknife for royalty valuation purposes in accordance with the requirements of the Canada Mining Regulations. It will be prepared in London for sale to DTC clients.

In order to ensure the identity of the Snap Lake production, the GNWT will have the right to monitor the valuation process in Yellowknife and the process for selling 10% of Snap Lake Diamonds. The arrangements also include a commitment by De Beers to provide training for NWT residents in diamond sorting.

Minister of Industry, Tourism and Investment, Brendan Bell recently led a GNWT delegation to the DTC in London on the invitation of De Beers Canada's NWT Vice President, Chantal Lavoie.

"The purpose of inviting the GNWT to the DTC was to show how the Snap Lake diamonds will flow through the DTC, where they will be prepared and made available for sale to GNWT approved manufacturers for purchase," said Lavoie. "Ensuring the GNWT has an understanding of, and supports, De Beers' sorting and selling processes and its global distribution and marketing initiatives was an important part of this visit," said Lavoie.

"De Beers has demonstrated how Snap Lake diamonds will be prepared and made available for sale," said Minister Bell. "I am confident that GNWT approved manufacturers, who qualify as DTC clients, will have equitable access to Snap Lake

rough diamonds and that we will be able to certify these diamonds as mined, cut and polished in the NWT.”

In March this year, GNWT approved manufacturers will be able to attend a presentation in Toronto on the DTC client application process so that they can take steps to apply for Sightholder status for a three-year period commencing in 2008.

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**For further information contact:**

Cathie Bolstad  
Manager Public & Corporate Affairs  
NWT Projects  
De Beers Canada Inc.  
Tel: (867) 766-7325

Julia Mott  
Coordinator, Cabinet Communications  
Office of the Premier  
Government of the Northwest Territories  
Tel: (867) 669-2304