

The electronic newsletter from De Beers Canada - December 2009

Engaged



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CANADA

Impact Benefit Agreement signed with Kashechewan and Fort Albany First Nations for Victor Mine



De Beers Canada Vice President Aboriginal Affairs Jonathan Fowler shakes hands with Kashechewan Elder Mary Rose Hughie after signing the IBA while Kashechewan Chief Jonathan Solomon looks on.

De Beers Canada is pleased to announce the final Impact Benefits Agreement for the Victor Mine in Northern Ontario has been formally signed by Fort Albany First Nation, Kashechewan First Nation and De Beers Canada.

Because both the Kashechewan First Nation and the Fort Albany First Nation jointly hold and occupy the lands that make up Indian Reserve No. 67, there is one IBA, which has been negotiated jointly and signed by both First Nations.

"This IBA is a fair agreement for our

people," said Kashechewan Chief Jonathan Solomon. "It respects our way of life. At the same time, it provides opportunities for our youth and our work force. It also provides compensation to assist us to manage the impacts of the mine on our livelihood and it recognizes the need to protect wildlife and the environment."

The IBA was signed at a ceremony in each of the First Nations' respective communities on December 1, 2009, although the agreement became effective July 10, 2009 when each community completed ratification of the agreement.

Victor Mine General Manager Peter Mah spoke on behalf of the team when he said it was an honour to be welcomed into the communities with such enthusiasm.

"De Beers prides itself on working with the surrounding communities and working toward the common goal of a sustainable future for the North, and maintaining their rich culture and heritage," said Mah. "We look forward to continued dedication as we build on this crucial partnership."

Negotiated over a five-year period, the IBA includes provisions regarding implementation of the agreement, education, training, employment and business opportunities related to the operation of the mine, protection of the environment, support of community and cultural practices and compensation for any loss of or impact on traditional lands or way of life during the operation of the mine.

"At times, these negotiations were difficult," said Fort Albany Chief Andrew Solomon. "We were not always confident that De Beers understood and respected our ways. The IBA provides us with the reassurances we need to move ahead. We look forward to the benefits we will share from the mine."

This is the third IBA for the De Beers Canada Victor Mine, further strengthening the partnerships between De Beers Canada and the local First Nation communities in which it operates. IBAs were previously signed with Attawapiskat First Nation in November 2005 and with Moose Cree First Nation in September 2007.



De Beers Canada at the forefront of Social Responsibility

During the Royal Visit to Canada, His Royal Highness Prince Charles, The Prince of Wales, joined a working session of Canadian business leaders in Toronto on November 4th, which included De Beers Canada President and CEO, Jim Gowans.

Organized by Canadian Business for Social Responsibility (CBSR), De Beers Canada was invited to the table as a recognized leader in transformational social investment initiatives, working to give a hand up to remote and often impoverished communities in Canada's north.

De Beers Canada helps celebrate diamond anniversary



Jim Gowans and COC Board President Paul Spafford draw the winning ticket.
Photo by Mark Ridout.

On November 7, the Canadian Opera Company commemorated 60 years of artistic excellence with a celebratory concert, including a raffle for a 1.26 carat Snap Lake diamond, donated by De Beers Canada. In all, the COC Diamond Raffle raised \$45,000 towards future productions and education programs. Jim Gowans, De Beers Canada President and CEO, was on hand for the event and drew the winning ticket.

"It's an honour to participate in this prestigious event in celebration of the Canadian Opera Company's diamond

anniversary," said Gowans. "It is a precious cultural icon, much like the diamonds we use to show our love and commitment."

The Diamond Anniversary celebration took place at the Four Seasons Centre for the Performing Arts in Toronto, and starred opera singers Ramón Vargas, John Treleven, and Canada's own Russell Braun, as well as the COC Orchestra conducted by the COC's new Music Director, Johannes Debus. The concert was a huge success and the performers received numerous standing ovations from the full house.

Snap Lake Mine Announces Ramp Up to Full Production



The De Beers Canada Snap Lake Mine – Canada's only fully underground diamond mine – is pleased to announce commencement of a production ramp up that will see the mine reach full production by the end of 2010.

The production ramp-up has commenced and will result in 175 additional operations positions at the mine site by the end of 2010. Along with the production ramp up, the construction project to complete the employee permanent accommodation complex is also proceeding. The camp's construction was put on hold in 2008 as part of the company's response to the economic slowdown. This construction project will see an additional 30 construction workers assemble the newly constructed modular units at Snap Lake between February and October 2010.

"Our decision to increase production is consistent with our business strategy to align production with global demand," said Jim Gowans, President and CEO. "Although our industry might not see the same sales levels in the next few years that we enjoyed in 2007 and early 2008, we anticipate a steady growth in demand over the next three or four years, and the long term looks bright."



De Beers Canada assisting Attawapiskat First Nation with emergency accommodations



The issue of housing is not a new one for the community of Attawapiskat, but with the sewer backup that occurred this past summer, the situation has only worsened.

At the request of the community, De Beers is assisting with their efforts to address housing needs in the community.

During the Victor Mine Winter Road campaign last March, one complete construction camp had been delivered to Attawapiskat First Nation as a donation for the community to use as saw fit with potential construction and other projects under consideration.

When so many displaced community members became displaced due to the sewage back up issue, De Beers offered to re-assemble the camp as a temporary

accommodation to help protect the nearly 100 residents from the elements this winter while they wait for a permanent solution to their housing crisis.

"There is a total of 98 single rooms," said Manager of Aboriginal Affairs Rachel Pineault. "Some of these will be converted into double rooms for families with young children. These units will be used as temporary housing until the situation can be properly rectified."

Attawapiskat residents have been working on this project with ACMS, a joint venture partner. In addition to donating the trailers, De Beers Canada is providing technical and project management expertise as well as assistance to hire the crews to complete the work.

Victor Mine donates Aboriginal art to Spiritual Healing Room in Timmins Hospital

With Health & Safety and working with Aboriginal communities two key priorities at the De Beers Canada Victor Mine, the mine was pleased to be able to demonstrate these values by donating several pieces of local Aboriginal art to the hospital's new Spiritual Healing Room. The specially designed room is a place where patients and their families can go to find inspiration during their stay. The Spiritual Room is also equipped to allow Sweet Grass ceremonies and other local traditions to assist in their recovery and healing.

In all, seven paintings by Gordin Goodwin of Kashechwan were donated, including a beautiful piece painted directly on the ceiling of the room.

Shown in a photo captured by the media are (from left) AttFN Youth IBA Coordinator Trevor Koostachin, Manager Aboriginal Affairs and Sustainability Rachel Pineault, TDH outgoing CEO Esko Vainio, Manager Aboriginal Affairs Albalina Metatawabin, and Community Relations Manager Virginia Sutherland.



Certification for Underground Mine Training now offered at Snap Lake Mine



Building on the company's commitment to train and develop a skilled northern workforce, and aiming to increase its own hiring of NWT residents, De Beers Canada is pleased to announce its recent accreditation to certify underground mine employees at the Snap Lake Mine to the Ontario Common Core standard. With this new certification ability, De Beers is now partnering with the Mine Training Society, Aurora College and the GNWT Department of Education, Culture and Employment to advance and enhance the current underground mine training program in the NWT.

The announcement was made by Snap Lake Mine General Manager Brad

Corrigan, who was speaking to approximately 70 members from the NWT Business Community at the company's annual Business Opportunities Charity Breakfast on December 3, 2009.

De Beers is offering a new component for underground mine training to our education and training partners. Students that are coming through the NWT underground mine training programs in 2010 will now have a component whereby they do a practical 12 week work experience as an employee of De Beers under the guidance of De Beers trainers who will train, test and certify them to the Ontario Common Core standard.

"Offering training and certification that includes nationally recognized standards will give NWT residents who come through this training program increased recognition of their skills from mines across the country," said Hilary Jones, General Manager for the Mine Training Society. "This partnership is something that is going to put the NWT on the map as a great place to live and work as a miner and as a great place for underground mine training." She notes the first intake of students that will include this new certification aspect in the program will take place in January 2010.

About De Beers Canada [www.debeerscanada.com]

De Beers has been active in Canada for nearly 50 years and is the only diamond company in Canada with two operating mines. The Snap Lake Mine is located in the Northwest Territories and is Canada's only fully underground diamond mine. The Victor Mine in Northern Ontario is an open pit mine and the first diamond mine in the history of Ontario. De Beers Canada is also a Joint Venture Partner in the Gahcho Kué Project in the Northwest Territories, which is now in the Feasibility Phase. Advanced exploration is currently underway at the Victor Mine, targeting 15 previously identified diamond-bearing kimberlite pipes.

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