



For Immediate Release

SNAP LAKE DIAMOND PROJECT UPDATE

August 24, 2001, Vancouver, BC – During the course of a teleconference August 23 to discuss interim results for DB Investments, Managing Director Gary Ralfe stated from London that full production from the Snap Lake Diamond Project would be delayed until 2006.

Speaking at the World Diamond Conference in Vancouver later in the day, Richard Molyneux, president and CEO of De Beers Canada restated the company's commitment to bring the Snap Lake project into production as quickly as possible and outlined the reasons for the change in the project timeline.

"Our original schedule to achieve production at the end of 2004 was optimistic," said Mr. Molyneux. "We remain fully committed to developing a diamond mine at Snap Lake yet feel it is appropriate to allow a little more time for the permitting process, and for our team to further delineate the resource within a technically challenging kimberlite."

De Beers expects to receive the required regulatory approvals in early 2003 but does not anticipate it will be in a position to transport construction equipment and supplies over the winter road in 2003. The company now intends to build production in a phased approach that will see test mining begin in 2004 with full production slated for 2006.

Changes to the project timetable do not impact the company's intention to submit the environmental assessment for the Snap Lake Diamond Project to the Mackenzie Valley Environmental Review Board in October of this year. While permits are pending, the project team will continue to work closely with regulators and other interested parties.

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