Louie Azzolini

From:

Kevin O'Reilly [xcarc@ssimicro.com]

Sent:

Monday, September 17, 2001 10:33 AM

To:

Louie Azzolini

Subject: re: Addition to the Snap Lake Public Registry

Louie, would you kindly add this to the public registry for Snap Lake? Thank you.

Kevin O'Reilly

De Beers, First Nation make diamond deal

By Carl Clutchey - The Chronicle-Journal

September 09, 2001

Members of a remote native reserve north of Thunder Bay are laying the groundwork to benefit economically should the world's largest diamond mining company ever develop a mine on their traditional lands.

The agreement between Kasabonika First Nation and De Beers allows the company to explore for diamonds in the vicinity of the reserve as long as local labour and services, like fuel sales, are used.

De Beers' Vancouver-based spokeswoman Jocelyn Fraser said the agreement is a way of building a relationship with the band "that's based on mutual trust and respect."

Though an operating mine could be 10 years away, this "first-step" agreement could also set the stage for the band to receive royalties from the mine's production.

Kasabonika Deputy Chief Eno H. Anderson said so far the company has been complying with the agreement and there is a good working relationship with the band.

If the agreement hadn't been in place, the band would have asked the company to leave the area, Anderson added.

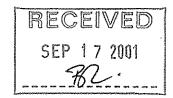
Kasabonika is a fly-in reserve of about 800 Oji-Cree located 250 kilometres north of Pickle Lake.

Anderson admitted that not every resident on the reserve is in favour of the diamond exploration project, and said more effort has to be made to get the word out about De Beers' plans.

De Beers is known mainly for its 20 diamond mines in Africa.

Its first Canadian mine, which will yield gem-quality stones, is located 220 kilometres northeast of Yellowknife.

When that Snap Lake project opens in 2006, it's expected to create 400 jobs and operate for 20 years.



The company plans to spend \$40 million exploring in Canada this year.

Those efforts include a project near Attawapiskat, which is considered at a more advanced exploration stage than the one in Kasabonika.

Fraser said in recent years there have been efforts by the company at its African operations to ensure front-line miners have the chance to move into more senior positions.