

**Plain Language Summary of:**

**Participation Agreement  
Between  
Diavik Diamond Mines Inc.  
and  
Dogrib Treaty 11 Council \***

**April 6, 2000**

On April 6, 2000, Diavik Diamond Mines Inc. and the Dogrib Treaty 11 Council signed a Participation Agreement. Diavik is a mining company that proposes to build a diamond mine at East Island in Lac de Gras in the Northwest Territories. The Dogrib Treaty 11 Council signed the Agreement on behalf of the Dogrib First Nation and the Bands in Behcho Ko, Gameti, Wha Ti, and Wekweti.

Diavik and the Dogrib entered into the Agreement in order to address issues relating to the diamond mine project and to establish a relationship based on confidence, trust and certainty. The Agreement is based upon the principles of mutual respect, active partnership and long-term commitment.

**Purpose of the Agreement**

In the Agreement, Diavik commits to provide certain benefits to the Dogrib. In exchange, the Dogrib assure their support for the diamond-mining project. Diavik and the Dogrib aim to establish an effective ongoing working relationship based on effective communication and cooperation. The Agreement will ensure training, employment and business opportunities for the Dogrib.

**Commitments from Diavik Diamond Mines**

Diavik makes a number of commitments in the Agreement that are set out in Schedules to the Agreement. Those commitments are summarized in the following paragraphs.

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\* **Disclaimer:** This summary does not contain the legal or binding text of the Participation Agreement between Diavik Diamond Mines Inc. and Dogrib Treaty 11 Council, dated April 6, 2000. This document is a plain language summary of the Agreement for convenience only. The wording used in this document is not the language agreed to between the parties and is of no legal force or effect.

### *Liaison Person (Schedule A)*

Diavik agrees to hire a Liaison Person to provide an on-going liaison on between Diavik and Dogrib persons, employees, businesses and the Dogrib Council. (*Diavik has hired Henry Zoe to be the Liaison Person for the Dogrib Participation Agreement.*)

### *Dogrib Representative (Schedule B)*

The Dogrib agree to hire a Dogrib Representative to consult directly with Dogrib employees of Diavik and their families to ensure their continued health, well-being and productivity. Information obtained by the Dogrib Representative concerning personal privacy or family matters will remain confidential unless the Dogrib individuals involved give their informed consent in writing. The Dogrib Representative is to work with the Liaison Person to develop consultation, education, counseling and support programs to promote individual and family well-being. The Dogrib Representative and Liaison will also monitor social and economic impacts of the project and develop ways to reduce or eliminate any negative impacts of the project. The Dogrib Representative will meet at least four times a year with the Liaison, other Diavik staff and government personnel. (*The Dogrib have hired Mr. Alex Nitsiza to be the Dogrib Representative.*)

### *Implementation Committee (Schedule C)*

Diavik and the Dogrib agree to establish an Implementation Committee composed of two representatives of Diavik and one representative from each of the four Dogrib communities. (*The Implementation Committee is currently composed of Nick Lamouelle (Wekweti), Madeline Chocolate (Gameti), Albert Nitsiza (Wha Ti), Barry Conacher (Rae), Cindy Gilday and Henry Zoe (Diavik).*) The role of the Implementation Committee is to oversee the implementation of the Agreement and provide an ongoing forum for communication and cooperation. The Implementation Committee will prepare an annual evaluation report for presentation to the Dogrib Council membership and Diavik. The Committee will also prepare an annual work plan for implementation of the Agreement. The Implementation Committee will develop targets for Dogrib employment and business development, and consult with Diavik regarding adjusting the educational requirements for entry-level positions. The Implementation Committee will meet at

least four times a year, with at least one meeting at the mine site and two meetings in the Dogrib communities.

*Employment and Training Opportunities (Schedule D)*

Diavik makes certain commitments to provide the Dogrib with employment and training opportunities. Diavik commits that when hiring its own employees it will give the Dogrib no less advantageous treatment than any other Aboriginal group provided that there are enough Dogrib candidates with the necessary skills, training and experience. Diavik will attempt to employ Dogrib throughout the range of available jobs, including skilled, professional and management positions whenever people have the necessary qualifications. The Dogrib Council will maintain a list of Dogrib members active in the job market who have skills or are willing to train for employment at a mine.

Diavik will attempt to provide certain terms of employment, including a drug free work site, providing country food, counselling services, and communication services. Diavik will also provide Dogrib employees with up to five days of unaccounted leave each year for personal reasons, coordinate vacation time with time off, allow extended home visits in times of family crisis and allow periodic visits to the mine site by spouses and children. Contractors working for Diavik should adopt similar policies.

In cooperation with other agencies, Diavik will offer opportunities for training for administrative, professional and management positions, and offer educational upgrading both on-site and off-site, including pre-employment programs to meet the needs of Dogrib employees. Working through the Implementation Committee, Diavik will establish training programs for orientation, job safety, skills training, career path planning, supervisory and management training. Contractors working for Diavik should adopt similar policies. Where possible, Diavik commits to having Dogrib employees train other Dogrib. To the extent possible, Diavik will use Dogrib owned and operated training services and facilities. Three years before the mine closes, Diavik will offer out-placement counseling to certain Dogrib employees. Diavik will provide information to Dogrib high school students and may employ Dogrib students in summer work. Diavik will offer scholarships to Dogrib students.

Diavik will provide the Liaison with monthly lists of job postings and full information on available employment training. Diavik will provide an annual report to the Dogrib Council on Dogrib employment.

*Business and Contracting Opportunities (Schedule E)*

The Dogrib will provide Diavik with a list of Dogrib businesses and individuals that are interested in contracting opportunities with Diavik.

Diavik commits to provide the Dogrib with opportunities for Dogrib businesses to participate in the project. Diavik will provide opportunities to Dogrib businesses by:

- providing the Northern Opportunities Profile to the Implementation Committee 60 days before its release to the public and holding discussions about it;
- providing information and updates to the Implementation Committee;
- identifying joint venture opportunities;
- conducting annual business opportunity seminars;
- moving quickly on subcontracting of business opportunities into bidding situations suitable for Dogrib businesses; and
- assist with financing proposals.

In order to assist Dogrib businesses to increase their competitiveness, Diavik will explain in writing to all unsuccessful Dogrib businesses why their contract bid was not successful.

Diavik will also request that contractors indicate the Aboriginal content of their bids, and, in evaluating competitive bids or potential suppliers, Diavik must consider the degree of Aboriginal participation.

Diavik agrees to hold discussions with the Implementation Committee regarding "pre-qualification" of Dogrib businesses and to continue such discussions annually. Dogrib businesses which are pre-qualified may be eligible for additional contracting opportunities.

Diavik currently has a contract with a Dogrib business for Site Services, which was entered into on December 13, 1999. Diavik agrees to renew this contract. Diavik agrees to discuss the sale of rough diamonds to Dogrib businesses.

### **Commitments from the Dogrib Council**

The Dogrib Council, on behalf of all Dogrib, agrees that the Dogrib have been adequately consulted about the diamond-mining project. The Dogrib agree that the Agreement provides the Dogrib with the opportunity to take advantage of the benefits offered by the diamond-mining project in relation to jobs, training and economic opportunities. The Dogrib agree that Diavik will have quiet enjoyment of its diamond-mining project and the Dogrib give their consent to this project. The Dogrib Council will not attempt to frustrate, delay or stop the project and will recognize the permits granted to Diavik by governments or government agencies. The Dogrib will ensure that Diavik's permits are unchanged by any land claim agreement that the Dogrib may enter into with Canada.

### **The Entire Agreement and Relationship of the Participation Agreement to Other Agreements**

The full text of the Participation Agreement contains the entire agreement between the Dogrib and Diavik regarding the matters addressed in the Agreement, including employment and training opportunities and business and contracting opportunities. The full text of the Participation Agreement takes the place of any earlier agreement, negotiation or understanding between the Dogrib and Diavik. There are no other agreements that relate to these same matters. The Participation Agreement takes the place of the Cooperation Agreement between Diavik Diamond Mines and the Dogrib Council dated January 30, 1998 and the Protocol Agreement dated November 25, 1998. In the Participation Agreement, the Dogrib Council agrees to sign two other agreements called the Socioeconomic Monitoring Agreement and the Environmental Agreement. The Socioeconomic Monitoring Agreement is an agreement between Diavik and the Government of the Northwest Territories, which contains other commitments made by Diavik.

The Environmental Agreement is an agreement between Diavik, the Government of the Northwest Territories and the Government of Canada. These other Agreements are not summarized in this document.

### **Confidentiality**

The full text of the Agreement is not confidential, except for the contents of Schedule G (regarding funding and implementation costs). The contents of Schedule G will remain confidential throughout the term of the Agreement and must not be shown to or discussed with anyone else except in specified circumstances provided for in the Agreement.

### **Dispute Resolution**

If a dispute arises regarding the Agreement, Diavik and the Dogrib will discuss the matter and attempt to resolve the dispute in a friendly way by agreement.

If there is a dispute about employment and training opportunities (Schedule D) or business and contracting opportunities (Schedule E), which can not be resolved by agreement, then the dispute will be resolved by arbitration. Three arbitrators will hear from the Dogrib and Diavik and make a decision. The Dogrib will name one arbitrator and Diavik will name one arbitrator. These two arbitrators will name the third arbitrator. Any other dispute regarding the Agreement (that does not relate to employment and training opportunities or business and contracting opportunities) may be determined by a court.

### **Term of the Agreement and Termination**

The Agreement came into effect on December 20, 2000. The Agreement will remain in place for 12 years. It will then be renewed for consecutive six-year terms.

The Agreement will terminate if both the Dogrib and Diavik wish to bring the Agreement to an end. The Agreement may be brought to an end if the diamond mine project or site is destroyed by fire or other cause and is not rebuilt, or if Diavik permanently stops production of diamonds. Some of the commitments in the Agreement may be suspended if diamond-mining operations are suspended.

**Amendment**

If the Dogrib and Diavik wish to change the Agreement, they may do so if both the Dogrib and Diavik agree to the change and if the change is made in writing.

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Please consult the full text of the Participation Agreement to review the binding language agreed to by Diavik and the Dogrib.