

Rio Tinto

DIAVIK MINE – ESTABLISHING AND DELIVERING ON EFFECTIVE PARTICIPATION AGREEMENTS

The Diavik Diamond Mine is located in Canada's Northwest Territories. When operations began in 1999, Rio Tinto signed a series of participation agreements with the five Aboriginal groups. These agreements formalized the partnership between the Aboriginal and Inuit peoples in the region and Rio Tinto on the operation of the Diavik Diamond Mine.



The agreements provided the framework for Rio Tinto and the Aboriginal and Inuit signatories to work together to maximize the project's benefits to communities through employment, training and building local business capacity. The agreements also provide scholarships and support for a range of community projects.

To assist with increasing the number of skilled Aboriginal and local employees, Diavik committed to providing 100 apprenticeships over the life of its mine. Diavik also developed an Aboriginal leadership development program, which is now being delivered by the local college providing all northern businesses with an opportunity to access the programming.

Diavik committed to supporting local businesses and helping to develop local and Aboriginal business capacity. To accomplish this, Diavik committed that throughout mine construction 38 per cent of capital expenditures would be with local/northern businesses. Of the \$1.2 billion in construction contracts awarded during the 2000–02 construction, the value of local/northern contracts was \$874 million or 74 per cent. This was almost double the objective. Northern Aboriginal spending during construction was \$604 million, or 51 per cent. During operations, Diavik committed to providing 70 per cent of its business to local/northern companies.

An environmental monitoring advisory board, comprised of representatives of the five Aboriginal communities, as well as government and industry representatives, oversees the mine's environmental impact.

When construction and operations spending is combined (2000–14 mid-year), total spending is \$6.2 billion, of which \$4.5 billion (72 per cent) is local/northern. Of the \$4.5 billion, \$2.4 billion (38 per cent) has been spent with Aboriginal businesses.

See www.riotinto.com/documents/Diavik_SEMA_report_0714.pdf page 14 for all figures