



Discover Abitibi

A project of innovation, cooperation and revitalization

Un projet d'innovation, de coopération et de renouvellement

Découvrons l'Abitibi



March 3, 2003

Mineral Explorationists/Exploration Service Companies Ontario

Dear Explorationists and Service Providers:

We have an opportunity to have a significant amount of vital, project generating exploration work conducted along the Timmins to Kirkland Lake corridor of the Abitibi Greenstone Belt. To trigger the 10 million dollars of federal and provincial funding and make this opportunity a reality, the private sector must immediately contribute both financially and with proprietary data as outlined below. The economic benefits of this initiative are immense and may be lost if the stated private sector contribution objectives are not realized within the near future to ensure this opportunity does not slip past us.

The Discover Abitibi Initiative is a regional economic development initiative which proposes to complete 19 mining related projects in the Timmins-Kirkland Lake region. These projects will provide new geoscientific data which may serve as the focal point for renewed exploration activity in the region. A renewed interest in the Abitibi will provide jobs in the exploration sector and will benefit the regional service sector. This additional exploration activity could result in the discovery of a new ore deposit. The discovery of a new deposit could inject millions of dollars into the local economy, provide jobs, attract new investment and restore confidence in the region.

This initiative is proposed as a joint venture between government, both federal and provincial and the private sector. A requirement of the joint venture is that the private sector provides a portion of the necessary funding. The private sector funding partners will include senior and junior mining/exploration companies, mining service sector companies, general service sector companies and individuals. This initiative will have a revitalizing effect on the exploration industry initially and with discovery of new deposits will have a positive effect on the mining sector as

well. The service industry, mine suppliers, rental companies, hotel/motels, etc, will see a positive effect immediately as exploration companies and those companies completing the proposed projects require their services. This project will provide an economic boom in the service sector. In these financially difficult times raising private sector funds is challenging but is achievable if a large number of private sector partners participate in the initiative.

The attached backgrounder information will give a general overview of the proposed project. The website www.discoverabitibi.com will provide a more detailed project description.

The project management team, hopes that a large number of project partners participate in the funding of this project. Opportunities of this nature, joint ventures between government agencies and the private sector are vital. Joint ventures of this type will provide the funding necessary to revitalize and stabilize resource based economies in northern Ontario. This initiative is an investment in your future and the future of the Timmins-Kirkland Lake region.

For further information on this exciting and important project you can contact the project manager, Robert Calhoun at the address below.

Sincerely,

Robert Calhoun, project manager

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AN INVESTMENT IN THE FUTURE

The Discover Abitibi Initiative is regional economic development project based on geoscientific investigations of the western Abitibi greenstone belt (Timmins to Kirkland Lake corridor). The project is a cluster economic development initiative in which the federal and provincial governments are forming a joint venture with private sector companies, regional municipalities and individuals to enhance the region through investment in the exploration and mining sector. The vision is a sustainable mining industry in the Timmins to Kirkland Lake area.

This will involve completion of 19 proposals which were submitted by the regional prospecting groups, local prospectors, academia and the two government geological surveys. These projects were evaluated by a local technical committee who evaluated them on technical merit, regional applicability and economic development factors. The 19 proposals, which were vetted from a total of 42 submissions, will fill knowledge gaps, provide the latest in technology and will decrease the amount of higher risk exploration by the private sector. The 19 proposals involve the completion of airborne electromagnetic surveys, airborne high resolution magnetometer surveys, ground geophysics and mapping projects. There will also be compilation of new and old data into a geographical information system (GIS) which will incorporate the data into a single data set.

The proposed funding model is a total of \$ 5.0 million from FedNor, \$ 5.0 million from NOHFC and \$ 2.5 million from the private sector of which **\$1.0 million must be cash** and the remainder will be in-kind proprietary data and personnel support.

The project will incur expenditures in excess of \$12.5 million, which will provide jobs during completion of the work, support the local service industry and increase the visibility of the Abitibi greenstone belt in the international exploration and mining community. The project will also focus increased attention on the Timmins/Kirkland Lake region as a place to do business especially in the service sector.

As stated above the management team for the Discover Abitibi Initiative must now raise \$1.0 million from the private sector to leverage >\$ 10.0 million in government funding. The private sector partners will include senior and junior mining and exploration companies, service industry companies and individuals. The information collected will be used by the exploration industry to generate an increase in exploration activity which will provide an economic boom to the local and regional service industry.

You are encouraged to invest in your future and the future of the region by becoming a project partner. For further information on the initiative or becoming a project partner contact:

Robert Calhoun, project manager

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