

# Mining talks bring different results for Northern Ontario First Nations

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Officials of the Lac Seul First Nation say they're upset that talks with Gold Eagle Mines failed to produce any benefits for the northwestern Ontario reserve.

The Sioux Lookout-area First Nation had been in discussions with the junior mining company since March in an attempt to reach a memorandum of understanding on exploration activities in the Red Lake area.

Lac Seul Chief Clifford Bull said Thursday that the company had indicated a willingness to negotiate, prior to Goldcorp Inc.'s announcement that it was purchasing Gold Eagle's Bruce Channel Gold Discovery for \$1.5 billion.

Bull suggested that some of that money, or a cut of previous exploration expenses, would have gone a long way in helping Lac Seul "prepare and position itself as an economic player in the exploration and mining industry." Lac Seul's economic development officer Sam Manitowabi said that while the community receives no benefits under the deal, Gold Eagle gets \$1.5 billion, shareholders receive cash and Goldcorp shares, and Goldcorp secures eight kilometres of strike length in the area.

"So we get nothing, just some bills from our lawyers and expenses from our trips to negotiate with Gold Eagle," Manitowabi said.

Meanwhile, another northwestern Ontario First Nation and a mining company are calling an agreement a win-win situation.

Cyr Drilling International announced Thursday that an agreement had been reached with Webequie First Nation for drilling in the First Nation's territory.

Webequie will hold a 20 per cent interest in Cyr Drilling Ontario, a newly formed company that will drill for diamonds, base metals, palladium group metals, and chromite.

The community will

receive preference for training and employment opportunities, and will have the option to purchase the remaining 80 per cent of the company five years from now.

"Webequie is really a pro-development community that is very much in support of sustainable resource development," Webequie First Nation Chief Scott Jacob said on Thursday.

Cyr officials said the deal combines their company's equipment and expertise with Webequie's strategic location and familiarity with operating a business in the north.

"It's a good business decision ... it's private industry teaming up with local communities," said Cyr spokesman Ian Brodie- Brown.

Webequie First Nation is located 540 kilometres north of Thunder Bay, and is only accessible by air

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