

DIAVIK DIAMONDS PROJECT AGREEMENT

BETWEEN:

FRASER RIVER PILE & DREDGE

AND:

INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL 115

Fraser River Pile and Dredge and the International Union of Operating Engineers, Local 115 agree to the following terms and conditions for the duration of the A-418 Diavik Mine Project.

1. The terms and conditions of the May 1, 2004 to April 30, 2007 Hydraulic Dredging Agreement will be adopted except where specifically amended by this Agreement.
2. The Union will not cause, or authorize its members to cause, nor will any member of the Union take part in a strike or any other kind of interference or any other work stoppage during the term of this Agreement. The FRPD will not cause or engage in a lock-out of its employees during the term of this Agreement.
3. Wages:

Employees will be paid according to the wage rates in Schedule "A" of the May 1, 2004 to April 30, 2007 Hydraulic Agreement. The wages for the Diavik Diamonds Project will be amended in accordance with the new wage rates established by the new Hydraulic Collective Agreement.

This agreement will list the classification of Relief Leverman:

	<u>May 1, 2004</u>	<u>May 1, 2005</u>	<u>May 1, 2006</u>
Relief Leverman	\$30.71	\$31.32	\$32.11

This Diavik Project Agreement Wage Rate is based on the average rate-between the Leverman's and Mate's Rate from the Hydraulic Dredging Agreement, May 1, 2004 to April 30, 2004.

FRPD will provide direct deposit to a bank account directed by the employee on a weekly basis.

4. Statutory Holidays:

In accordance with the Labour Standards Act of the Northwest Territories, the following days are statutory holidays: New Year's Day, Good Friday, Canada Day, the first Monday in August, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, and the day fixed by the Governor General for observance of the birthday of the reigning sovereign.

5. Hours of Work:

The following will be the hours of work at the Diavik:

Dredging Operations

12 hour day and night shifts working on a 24 hour continuous basis. The crews will be rotated from day to night shift on regular turnarounds.

Shift Differential:

Afternoon shift: Shift differential of one-half hour (0.5) extra pay shall be paid at straight time rate.

Shift differential on straight time days shall be paid at straight time rate and on overtime at the prevailing overtime rate.

The first eight (8) hours shall be paid at straight time.

The remaining four (4) hours shall be paid at double time.

Saturdays, Sundays and NWT Statutory holidays shall be paid at double time.

Site Mobilization/Demobilization - Dredge Assembly and Disassembly Crews

10-12 hour shifts to be determined by Fraser River Pile & Dredge.

The first eight (8) hours shall be paid at straight time.

The remaining shift hours shall be paid at double time.

Saturdays, Sundays and NWT Statutory holidays shall be paid at double time.

Lunch:

On project (while dredging) all employees shall be paid double time for designated lunch period and shall be given reasonable time to consume their lunch before or after the regular lunch period. Such time shall be paid for as part of the regular shift.

6. Shifts:

The FRPD site dredging crews will work 12 hour shifts 7 days per week. The employees will work 28 days on site with 14 days off site. Travel time in and out of the site is included in the 14 days travel time off.

The shift times will be determined by FRPD.

7. Transportation:

The Employer shall provide for and pay eight (8) hours at straight time for the initial and terminal flights to Vancouver for each 28-day turn around. The Employer shall also provide return tickets for the initial and terminal trips to the site for each 28 day turn around. In case of inclement weather which causes delay in travel, the Employer shall reimburse employees for reasonable expenses incurred due to inclement weather, but no additional travel time shall be provided by the Employer.

The provisions relating to local daily are not applicable.

8. Camp Accommodation Rules:

Camp accommodations, as described in the Diavik Diamond Mines Site Information Booklet, shall be provided at no cost to the employee.

9. The Diavik Diamond Mines Site Information and Camp Rules:

Employees will comply with the requirements set out by the Diavik Mines Site, the Diavik Information Booklet and Camp Rules.

10. Union Security:

The non-affiliation clause is not applicable to this project. The Union and its members accept and agree that the Diavik Diamond Mines Project is an open site, and that they will be working with non-affiliated workers employed by other contractors on the project.

Signed this _____ day of _____, 2005.

FRASER RIVER PILE & DREDGE LTD.

INTERNATIONAL UNION OF OPERATING
ENGINEERS LOCAL 115

Philip J. Anderson, Vice President

Frank Carr, Member Representative