

Giustra, Slim donate \$100-million each to Clinton Foundation

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Former U.S. president Bill Clinton has teamed with a reclusive Vancouver mining financier and a Mexican billionaire to create a massive charitable effort that will see the mining industry channel funds to fight poverty in areas affected by the resource sector.

Frank Giustra, who has made millions for himself and investors financing mining deals, has pledged \$100-million (U.S) and half of all his future earnings from the mining business towards the Clinton Giustra Sustainable Growth Initiative (CGSGI). Carlos Slim Helu, a Mexican billionaire who made his fortune in the telecom industry has also committed \$100-million towards the effort, which will initially focus on alleviating poverty and fostering growth in Latin America.

“I firmly believe that this innovative partnership between the Clinton Foundation and the business community – and the mining industry in particular – will have a profound and positive effect on the lives of countless people in the developing world during the months and years ahead,” Mr. Giustra, the 49-year-old son of a Sudbury miner and former head of Yorkton Securities, said in a statement.

Several large mining companies including zinc and copper producer Teck Cominco Ltd. and gold miner Newmont Mining Corp. have signed on as partners to the charity group which plans to expand its efforts beyond Latin America to other parts of the developing world.

As well, mining focused Canadian brokerage firms including Canaccord Capital Inc. and GMP Securities LP have committed to the fund and will direct a percentage of their resource-related commission fees to the CGSCI.

Toronto law firm Cassels Brock has promised a financial contribution as well as a pledge to provide legal services at no charge. The Toronto Stock Exchange and London Stock Exchange are also supporting the initiative.

“I’m proud of the coalition in the natural resources industry that has come together to invest in sustainable growth in emerging economies,” President Clinton said in a statement. “Ultimately our goal is to bridge the gap between the rich and poor, and give all people a shot at a better life.”

The new initiative is the brainchild of Mr. Giustra, a 20-year veteran of the international mining finance scene, who has spearheaded efforts to assemble an impressive group of mining players behind the foundation. Known for his innovative and creative approach to mining finance as well as an unparalleled ability to raise capital, Mr. Giustra has applied a similar tack to the CGSCI.

Drawing on his extensive list of contacts in the mining world as well as a friendship cultivated with the former president over the last few years, Mr. Giustra has created what is believed to be the largest single charity initiative in the history of the mining industry.

Although many mining companies have spent millions on funding sustainable development, education, health and infrastructure in countries and areas in which they operate, the industry still gets a bum rap, according to Newmont Mining board member and former company president Pierre Lassonde.

“What I find absolutely genius in the move here is that what [Mr. Giustra] has done is he has got Bill Clinton to more or less, be the spokesman for resource development. That is momentous,” Mr. Lassonde said in an interview.

In the past, some mining companies have faced severe criticism for exploiting resources in developing nations and giving little back to the community. In some cases, mining has caused environmental damage that has made some areas uninhabitable or been linked to illnesses in local people.

The CGSGI said it intends to work with local leaders to address, social, economic and environmental issues in a cost-effective and sustainable manner. The Clinton Foundation will act as the “implementing partner” linking the resource industry with local communities in the developing world.

“Latin America faces major challenges related to poverty and education, and these needs go beyond any single country, industry, or donor,” Carlos Slim said in a statement.

Amid the current boom in resources driven by record metal prices and strong demand for materials from China, there are more than 2,000 mining companies around the world with a combined market value of more than \$1-trillion. With many of the resources in developed and politically stable nations such as Canada and the United States having been exhausted, mining companies have looked increasingly to the developing world for new mines.

While the CGSGI may be the single largest charity initiative by the mining sector, Mr. Giustra's contribution follows previous large-scale donations by other industry heavyweights from Canada.

Mr. Lassonde has donated millions through his own active philanthropic efforts as has his Franco-Nevada co-founder and long-time business partner Seymour Schulich. Mr. Schulich recently gave \$22.5-million (Canadian) to the Technion-Israel Institute, which is naming its chemistry department after him. His past gifts have included \$27-million to York University's school of business and \$20-million to McGill University's faculty of music. Barrick Gold co-founder Peter Munk gave almost \$61-million to charity last year alone including \$37-million to the Toronto General Hospital, \$18.5-million to the Technion-Israel Institute of Technology and \$5-million to the University of Toronto.