





MEDIA RELEASE

For Immediate Release

July 31, 2006

KI wins huge victory over Ontario mineral exploration company Landmark decision forces Platinex to halt drilling operations in KI traditional territory

TORONTO – Kitchenuhmaykoosib Inninuwug, a remote northern Ontario Aboriginal community, won the first stage of a controversial legal battle that could have major repercussions for mining and resource extraction operations throughout the province. In May, KI had launched a lawsuit to counter a \$10 billion lawsuit filed against them by an Ontario mineral exploration company, Platinex Inc (TSXV:PTX), that wants to exploit platinum deposits located within KI's traditional territory. The landmark decision from Justice G. P. Smith of the Ontario Superior Court represents one of the most important victories empowering Aboriginal communities in Ontario's judicial history.

"This decision is a huge victory for the Kitchenuhmaykoosib Inninuwug and for the rights of Aboriginal communities throughout the province," said Sierra Legal lawyer Justin Duncan. "The Court has clearly stated that companies like Platinex must respect community interests and cannot steamroll over the rights of Ontario's Aboriginal communities."

The decision states that Platinex is to a large degree the author of its own misfortune and that because of the huge cultural and spiritual importance of the land to the KI people, "no award of damages could possible compensate KI" for losses of these values if development were to occur. With the decision the Court granted KI an injunction, thereby preventing the company from continuing work within KI's traditional territory.

The basis for KI's lawsuit is that mining exploration activities being undertaken by Platinex fail to take into account the fundamental legal rights of KI members. It also asserts that Ontario's *Mining Act* and provincial government policy fail to require adequate consideration of the rights of First Nations people.

"Ontario's *Mining Act* has been allowing the creation of third party interests on Aboriginal lands without their consent", said Joan Kuyek, National Co-coordinator of MiningWatch Canada. "Mr. Justice Smith has made a courageous and sensitive decision to uphold the Constitution and honour the treaties signed with indigenous people."

"We are pleased to see that the court is taking recent Supreme Court decisions seriously by honouring First Nations. We congratulate the community in its victory and acknowledge the tremendous courage it has shown. This is also a victory for nature," said Anna Baggio, Director of Conservation Land Use Planning for CPAWS Wildlands League.

It is time for the Ontario government to honour the call for a moratorium on development by First Nations and change the laws on mineral developments. The groups call on Premier McGuinty to keep his promise and implement a comprehensive land use planning process and development policies with the full participation of Aboriginal peoples to protect the ecological and cultural values of northern Ontario and provide certainty to all users of the land that conflicts will not arise in future.

The decision immediately forces the parties back to the table to engage in a proper and meaningful consultation process. The parties are to appear before Justice Smith in five months time to report on their progress.

-30-

For further information please contact:

Anna Baggio, CPAWS Wildlands League Justin Duncan, Staff Lawyer, Sierra Legal (416) 453-3285 (416) 368-7533 ext. 22