BACKGROUNDER

About Birks & Mayors:

Birks & Mayors Inc. is a leading operator of luxury jewellery stores in the United States and Canada. The Company operates 38 stores (Birks Brand) across most major metropolitan markets in Canada and 29 stores (Mayors Brand) across Florida and Georgia. Birks was founded in 1879 and developed over the years into Canada's premier retailer, designer and manufacturer of fine jewellery, timepieces, sterling and plated silverware and gifts. The company posted annual sales of US \$274.3 million in 2005 and hires over 1100 employees in Canada and the United States.

About the Canadian Boreal Initiative:

The Canadian Boreal Initiative (CBI) was created in response to both the opportunities and threats facing Canada's Boreal region and works with a wide range of conservation organizations, First Nations groups and governments to links science, policy and conservation activities in Canada's boreal forest.

The Boreal Forest Conservation Framework seeks to permanently protect at least 50 percent of the Canada's Northern Boreal Forest from expanding industrial development. At 1.4 billion acres, the Boreal Forest is one of the world's last great forest ecosystems and a major source of North America's freshwater. Hundreds of Aboriginal communities live in the forest and depend on its clean water and wildlife. Because the Boreal Forest is rich in minerals, including gold and diamonds, mining has rapidly become a serious threat to both the ecological and cultural integrity of the region. A wide range of companies worth over US \$30 billion in annual sales have very recently endorsed the Framework including Limited Brands/Victoria Secret, Patagonia, Mountain Equipment Coop, Seventh Generation, and Birks & Mayors.

About the No Dirty Gold campaign:

The No Dirty Gold campaign, a joint initiative of EARTHWORKS and Oxfam America, is working to educate consumers, retailers, and the general public about the impacts of irresponsible gold mining, and to enlist their support to reform harmful mining practices. The campaign is not calling for a boycott of gold. It is calling on the mining industry to provide alternatives to irresponsibly mined gold, which today is too often produced at the expense of communities, workers, and the environment.

Under current practices, the production of a single gold ring generates, on average, 20 tons of waste. Gold mining has caused massive environmental destruction, contaminated fisheries and fresh water, and displaced tens of thousands of rural farming, fishing, and ranching communities. Because about 80 percent of gold is used to make jewellery, the commitment from jewellers to the Golden Rules sends a strong signal that there is a demand for more responsibly mined gold.

The Golden Rules are a set of social, environmental, and human rights principles to guide more responsible gold production. These include:

- Respect for basic human rights outlined in international conventions and law;
- Free, prior, and informed consent from affected communities:
- Respect for workers' rights and labor standards;
- · Protecting parks and natural reserves from mining; and,
- Protecting oceans, rivers, lakes, and streams from mining wastes.