

APPLICATION FOR STATUS AS AN APPROVED NWT DIAMOND MANUFACTURER

INTRODUCTION

Applicants wishing to apply to become an Approved NWT Diamond Manufacturer must provide a business plan that conforms to the outline below. Should the applicant wish to access additional GNWT programs, information meeting the requirements of the individual programs may be attached as appendices to the business plan.

BUSINESS PLAN FORMAT

1.0 Title Page

2.0 Table of Contents

3.0 Executive Summary of the Business Plan

- Provide a general explanation of business intentions and goals; the planned location of operations; expected employment levels; training planned for employees and NWT residents; status of discussions with NWT Diamond Producers; start-up and operational timelines; milestones and any associated deadlines; current status of corporate activities; anticipated supports required from the GNWT; and any other information felt to be relevant to the description of the planned manufacturing operation.

4.0 Description of Corporate Structure and Organization

- Provide a general history of the applicant/business. This should include a description of the corporate structure and ownership; resumes summarizing the work histories of the corporate principals and key managers; identification and contact information for managers, bankers, lawyers, insurance agents and accountants; definition of the roles and responsibilities of the senior staff within the NWT operations; and indicate business connections (both direct and indirect) of all owners of the company that may influence the transactions that occur within the operation of the company.

5.0 Planned Investment, Financial Information and Analysis

- The applicant is to include a description of the level of investment being made by ownership in the start-up and operation of the manufacturing plant; projected start-up and operating costs and any associated financing schedule and details; projected cash flow statements for the first three years of operation; projected financial statements for the first three years of operation, including assumptions; a break-even analysis; owner-signed and dated net worth statements; and details related to costs associated with anticipated training.

6.0 Manufacturing Plans

- Manufacturing plans are to include a description of the current and planned sources of rough diamonds; the sizes, quantities and qualities required as well as the resulting output of polished goods; estimated costs for buying and manufacturing, and expected selling prices of the product; a general description of the planned approach to manufacturing and manufacturing tasks to be completed in the NWT plant(s); a description of capital requirements and associated costs; and a description of location, size and use of the planned manufacturing facility.

7.0 Marketing Strategy

- The business plan is to describe the intended plans for marketing and selling the polished diamond goods. The description will include a description of the target market; approaches planned to differentiate the company's product from other similar products; as well as an indication of the current approach to marketing; and current annual sales. An indication of whether the company plans to participate in the GNWT Diamond Certification Program is also expected.

8.0 Employment and Training

- Estimated overall employment and any anticipated employment growth over time, is to be included in this section of the business plan. Anticipated annual wage costs for the company, as well as an indication of wage levels for various types of positions; expected training to be provided; training investment levels planned by the company; and company plans for mitigating employee and trainee attrition, are to be included.

9.0 Business Arrangements with NWT Businesses

- A general description of planned collaboration, cooperation, purchasing plans, and any other relevant information is to be included in this section. Discussion should focus on overall benefit of the company's plans to NWT businesses and the NWT economy.

10.0 Anticipated Supports from the GNWT

- An outline of the company's expectations with respect to participation in GNWT programs and services is to be included in this section.

11.0 Appendices

- Appendices provide a mechanism to included additional materials that support the application of the company. Specific appendices are listed below, but the applicant may wish to include additional materials.

11.1.1 Letters of support

11.1.2 Evidence of business, banking and personal references

11.1.3 Evidence of security and insurance

11.1.4 Memorandums of understanding

11.1.5 Documentation of corporate registration

11.1.6 Additional appendices as required or desired

Completed applications and any supporting materials or requests for additional information are to be submitted to the:

**Director
Diamond Secondary Industry
Department of Industry, Tourism and Investment
Government of the Northwest Territories
Box 1320
Yellowknife NT X1A 2L9**

NOTE: It should be noted that all applications will be considered to contain proprietary information and will be kept confidential, subject to the provisions of the NWT *Access to Information and Protection of Privacy Act*.