

\$100,000,000 donation by Vancouver tycoon

Wife inspires Vancouver tycoon to donate. Frank Giustra partners with Bill Clinton on aid project

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An idea suggested by his wife over a bottle of wine has led Vancouver mining financier Frank Giustra to donate \$100 million US -- plus half of his future mining earnings -- to a philanthropic project developed with his good friend, former U.S. president Bill Clinton.

The donation by the 49-year-old former Howe Street wunderkind could be the largest single philanthropic gift ever made by a Canadian.

Giustra's astounding donation, announced Thursday in New York, is kick-starting the Clinton-Giustra Sustainable Growth Initiative, a plan to fight Third World poverty with help from the global mining industry.

"She gets full credit for this idea," Giustra said of his wife, Alison Lawton, a human rights activist and producer of documentary films on humanitarian crises.

"She planted the seed in my mind when she said to me over a bottle of wine: 'Frank, you have tremendous influence in the mining industry. Why not use that to promote social responsibility in the developing world?' "

Giustra, whose philanthropic interest has grown in recent years as his personal wealth soared, said he explored his wife's suggestion.

"I approached Clinton five months ago and described to him how I thought it would work, and he agreed it was a great idea," said Giustra.

Giustra has become close to Clinton in the past two years since they became acquainted through a tsunami-relief effort. Giustra has placed his private jet at Clinton's disposal and has accompanied the former president on many trips around the world.

Giustra is also a member of the board of trustees of the William J. Clinton Foundation, the charitable and activist vehicle



CREDIT: Shannon Stapleton, Reuters
Frank Giustra speaks as Bill Clinton looks on during a New York press conference announcing a new global sustainable development project that will start in Latin America. Giustra's donation is being matched by Carlos Slim, a Mexican telecommunications billionaire.



CREDIT: Shannon Stapleton, Reuters
Carlos Slim (left), with former U.S. president Bill Clinton, announces a sustainable development initiative in Latin America.

established by Clinton after he was presidency.

"This was his idea, not mine. He raised all the money," Clinton told reporters in New York.

Clinton also said that "mining happens in almost every country in the world. You can either have good mining or bad mining."

Clinton said the coalition of companies and organizations enlisted by Giustra for the initiative will work with governments and non-governmental organizations to improve health and education and promote sustainable development. Giustra said he hopes that the private-sector philanthropy behind the Clinton-Giustra Sustainability Growth Initiative will eventually reach billions of dollars.

"This is going to be an ongoing commitment for the rest of my life."

The Vancouver investor's donation to the initiative is being matched by a \$100-million commitment from Carlos Slim, a Mexican telecommunications billionaire listed by Forbes as the world's second richest man.

Giustra has also approached other mining and financial executives and asked them to contribute to his initiative.

He said the "fantastic" response so far has given him "the comfort to know that this will be well-received within the entire industry."

The philanthropic donation is the latest chapter in Giustra's meteoric rise in the big-money world of mining finance.

Less than 30 years ago, Giustra, the son of a Sudbury nickel miner, was a music student at Douglas College with a flare for the trumpet. He made a smart financial move when he dropped music at Douglas College and instead studied finance and business. His father was a stock market addict who introduced his son to his broker.

Giustra became rich early in his life after joining Yorkton Securities in 1980, becoming Yorkton's president in 1990 and chairman and CEO in 1995. He founded Lions Gate Entertainment in 1997. Giustra returned to the mining finance business in 2001 as chairman of Endeavour Financial and became fabulously wealthy through a string of mining plays around the world.

Giustra said that his interest in philanthropy has been evolving over the past 15 years, starting with small local and international efforts and growing to the point where "now most of my time is spent on philanthropy."

Giustra said he resigned as chairman of Endeavour Financial last month to focus on philanthropy, but will continue to have an "exclusive consulting arrangement" with the Vancouver-based merchant banking firm, which he founded. Giustra said that he hopes his donation will prompt other wealthy people to give generously.

"I think it's something that everybody who has accumulated wealth should be paying more attention to. Money is an illusion if you have too much of it.

"It's useless and pointless unless it's doing some good for somebody.

"Hopefully a lot of people will come to that realization."

Giustra said his relationship with Clinton has accelerated his philanthropic activity.

"He's been an incredible inspiration to me," said Giustra.

"He changed my life. Just watching him work over the last few years and travelling with him and seeing his level of dedication and just how hard he works and how heartfelt his work is."

Giustra said that Clinton's work through the Clinton foundation "inspired me to really start to look at what I could do with what I have and the influence I have."

Giustra said he has contributed a "substantial" amount of money to Clinton's effort in Africa to counter AIDS -- and he's helped organize many fundraising events to finance Clinton foundation projects.

Giustra accompanied Clinton on an African tour last summer. David Remnick, the editor of The New Yorker, was also on the trip aboard Giustra's private jet and talked to the Vancouver businessman.

"Giustra told me that he was still heavily involved in business -- he travels frequently to Kazakhstan to check on mining interests he has there -- but that his wife had been pushing him to give away more of his money," Remnick wrote in the magazine.

He said Giustra told him, "All of my chips, almost, are on Bill Clinton. He's a brand, a worldwide brand, and he can do things and ask for things that no one else can."

Lisa Hartford, communications manager for Imagine Canada, which tracks philanthropy, said that Giustra's donation could be the largest donation ever given by an individual Canadian for a single ongoing project.

She added that "it sets a pretty good model for other entrepreneurs to follow."

Giustra said he was also impressed with the philanthropic efforts of American billionaires Bill Gates and Warren Buffett.

Buffett donated \$37 billion to Bill Gates' charitable foundation, which already has a \$27-billion endowment.

"They have set a standard for many to follow," said Giustra.

"And they've got the attention of a lot of wealthy people all over the world and my belief is that this is a continuing trend and it will grow."

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MAKINGS OF A MULTIMILLIONAIRE

Frank Giustra became rich through financing and mining deals

1978: Giustra started his career in the investment industry as a stockbroker with Merrill Lynch.

1980: Joined Yorkton Securities, where he became president in 1990 and chairman and chief executive officer in 1995.

1996: Retired from Yorkton.

1997: Founded Lions Gate Entertainment, one of the largest independent film companies in the world which today has \$1 billion US a year in revenues. Giustra served as chairman of Lions Gate from 1997 to 2003 and raised more than \$400 million in debt and equity in his six years at the helm.

2001: Returned to the mining business as a merchant banker, as chairman of Endeavour Financial, investing in gold mines and other resource companies, most notably Wheaton River, which later merged with Goldcorp and UrAsia Energy.

At the time, the Endeavour group took over a small gold mining company with a market value of \$20 million and built it into the world's sixth largest gold mining company in three-and-a-half years. After merging with Goldcorp, the combined company had a market cap of \$7 billion US and cash reserves of \$480 million US.

UrAsia Energy was another home run, raising \$450 million in equity when it was launched by Giustra.

Directorships

- Peak Gold: The operations were acquired from Goldcorp and its two operating assets are Peak Mines in New South Wales, Australia and Amapari mine in Amapa State, Brazil. The company is forecasting production of 215,000 ounces of gold in 2007 with a cash cost of about \$300 per ounce.

- Endeavour Financial: Resigned last month as chairman and principal of the Vancouver-based independent investment banking firm that focuses on the natural resources industry.

- UrAsia Energy: Founder of UrAsia. Resigned from the board Feb. 11 when a merger with Sorex Uranium One Inc. was announced because he is chairman of Endeavour Financial, which is UrAsia's financial adviser. The merger results in a global uranium producer with a market capitalization of about \$5 billion US.

- Lions Gate: resigned as chairman in May 2003.

- William J. Clinton Foundation: Member of the board of trustees.

- International Crisis Group: Member of the board of trustees. The Crisis Group is an independent, non-profit, non-governmental organization, established to prevent and resolve conflicts.

- Radcliffe Foundation: Director.

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