

San Jose, Costa Rica, Saturday September 3<sup>rd</sup>, 2005

- mining company against the government

International Arbitration for \$ 276 millions could be withdrawn

Lisbeth Barboza Gonzalez. [lbarboza@prensalibre.co.cr](mailto:lbarboza@prensalibre.co.cr)

Picture: motor trailers like these will be used in the Crucitas project once the concession for exploitation is granted to IISA.

After three years and five months of process, the Secretaría Técnica Nacional Ambiental (SETENA) approved the Environmental Impact Study (EIS) of the Crucitas Project, presented by Industrias Infinito S.A. company (IISA); and that is the reason why the parent company, the investor Vanessa Ventures, is considering to withdraw the arbitration it filed against the government for \$276 millions.

This was explained by Andres Soto, Communication In Charge of IISA, who highlighted that the international arbitration had been filed since April, 2003, before the International Center to Solve Investment Disputes (ICSID)

On the other hand, Erich Rauguth, president of the company, stated that, for the time being, they “are waiting for the Ministry of Environment and Energy to confirm their support and the validity of the title for mining exploitation of the Crucitas Project, now that we are meeting the environmental requirement that originated the decision of the Constitutional Court” of not granting the concession for mining exploitation to IISA.

According to Soto, once they can prove the investor that the title of exploitation of the Crucitas Project is in force and free of the administrative and legal objections that are halting the Project’s development, the international arbitration will be removed and the construction works for what will be “a high technology gold mine” will be initiated.

This project implies a 35 million dollars investment, that will go to the construction of the mine in the canton of San Carlos, Alajuela.

Once the construction starts, they will prepare the land, repair roads and build facilities such as buildings for offices, warehouses, a processing plant and a residential area, to then proceed with the operation phase that entails the extraction and processing of the material.

The neighboring communities are Copevega, Moravia, Chamorro, el Roble, and Las Crucitas, in Cutris district, apart from Llano Verde and Jocote, in the Pocosol district.

“With satisfaction, optimism and respect for all the inhabitants of the Northern area of our country, I can confirm that the Setena has finally accepted our environmental study,

thus, we are taking a significant step towards the consolidation of our model of eco-mining”, indicated IISA’s general manager, Jesus Carvajal.