

April 7, 2003. Press Release. PR-014-2003

Parent company established in Canada seeks to protect its investors

Mining company invokes treaty of protection of investments between Costa Rica and Canada

- Action complements other administrative and judicial measures derived from the strong opposition to the Crucitas Project.

On April 4, the Canadian Company, Vanessa Ventures, proprietor of Industrias Infinito SA and in charge of the development of the Crucitas Mining Project, officially notified the Minister of Foreign Trade, Alberto Trejos, of the decision to invoke the Agreement between the Government of the Republic of Costa Rica and the Government of Canada for the Reciprocal Promotion and Protection of Investments.

This agreement, signed by both countries in March 1998 and ratified by the Legislative Assembly in May 1999, guarantees stability and legal security for Canadian investors in Costa Rica and encourages the principles of good faith, transparency and non-discrimination.

It is important to highlight that the agreement points out on article 8 that “the investments of investors of any of the contracting parties will not be nationalized, expropriated nor subject to measures that could have an effect equivalent to nationalization or expropriation of the territory of the other contracting party, except for reasons of public interest, under the due legal process, in a non-discriminatory way and against the prompt, proper and effective compensation”.

For this reason and faced with “the concrete actions executed by the Government of Costa Rica to stop opencast gold mining in general and stop our project in particular, the company was obliged to invoke this preventive measure to protect the investment and the company’s interests”, Carvajal added.

This is the first time that a Canadian company invokes this Agreement in our country, “which does not mean there has been a change in the company’s direction as its interest continues to be the construction and operation of the Crucitas mine”, the Manager emphasized.

A dialogue process should now be generated between the Government and Vanessa Ventures. Based on the Agreement, this will be a six month process and it will aim at the resolution of differences to be able to develop a mining project in a friendly way.