

June 9th 2004. Press Release .PR-024-2004

Resolution # 831-2004 – SETENA

## **Public Hearing for Crucitas Project has been Set**

- Inhabitants of communities nearby the Project asked to have it done in Coopevega.

Last Wednesday, June 2nd, at 10:55, the Secretaría Técnica Nacional Ambiental, SETENA, announced through a resolution its decision of holding the public hearing on the Crucitas Project in Coopevega's assembly-room, next Saturday July 31<sup>st</sup> from 8:00am to 4pm.

“The good news adds to the positive environment that characterizes the new revision of our environmental impact study by SETENA and it is also part of a favorable atmosphere of confidence that the last declarations of the President have generated in the sense that our project is lawful and continues”, Industrias Infinito S.A. (IISA) General Manager, Jesús Carvajal, mentioned.

It is good to mention that the 4<sup>th</sup> item of such resolution expressly points out that the hearing setting was established as a reply to the request of the communities located on the areas of influence of the project. “This makes us exceedingly happy because they have been patiently waiting for their development for the last 10 years”, Carvajal added.

Carvajal explained that once the public hearing is held, SETENA's approval for the initiation of the Crucitas eco-mine construction might be expected within a short period of time.

It is important to consider that the project's development will generate the following economic benefits:

Mine construction, \$ 35 millions:

- 8% for nearby communities
- 22% San Carlos region
- 70% for Costa Rica

The extraction of 656 thousand gold ounces will generate \$262 millions.

A 51% (\$134 millions) will be for Costa Rica:

- \$ 52 millions for tax payments\*

- \$82 millions for other benefits during 10 years of operation\*\*
  - \$20 millions for employments
  - \$47 millions for contractors and providers
  - \$5 millions for consultants
  - \$4 millions for environmental recovery
  - \$6 millions for interest payments

\* In addition to Municipal taxes IISA must pay:

- 30% of income tax
- 25% of overseas remittance
- 15% of dividends
- 2% of exploitation tax

\*\* out of the total amount, an 18% is for nearby communities, a 42% for San Carlos region and the remaining 40% for National Economy.

If the simultaneous development of projects like organic agriculture, organic cattle raising, aquaculture, forest management plans, reforestation for the preservation, and eco-tourism are added to what was mentioned before, we may affirm that Crucitas is going to be more than a mine, it will be a real source of development.