

Ministry of Energy and Mines
Republic of Ecuador
(on Ministry Stationery)

Official letter No. 3062 SPA-DINAMI-UAM

00618122

Quito, D.M. 08 DEC 2006

Mr. Francisco Veintimilla-C., MSc.
GENERAL MANAGER
ASCENDANT COPPER
Concession holder to the mining areas of GOLDEN 1,
GOLDEN 2 and MAGDALENA 1
Judicial mailbox No. 2238
City.-

Dear Sir:

Reference: SAD No. 23360-2006

This is in reply to the un-numbered official letter dated this past November 10, presented to this Ministry under the procedure number of the reference, attaching complementary information for the process of Public Dissemination and Information of the Environmental Impact Study for the Junín project.

In this regard, and after reviewing the documentation presented, it is evident that the invitations to the Process of Public Information and Dissemination for that project have been made and the Executive Summary has been delivered to the central authorities in Quito, with invitations to the opening of consultation offices for provincial authorities, sectoral authorities and local stakeholders in the canton of Ibarra, invitations to the opening of the consultation processes and closing of the consultation offices in the canton of Cotacachi and parishes of García Moreno and Apuela. However, once again it is evident that there are no invitations to the representatives of the following communities, considered according to the study to be within the project's direct area of influence: Chaguayacu Bajo, Chaguayacu Alto, Junín, Cerro Pelado, Magnolia and Alto Mira, and the community of Barcelona which, according to the maps, the social conflict at that point, and the judgment of the Mining Environmental Unit, also belongs to the area of direct influence.

Accordingly, and pursuant to Article 6 g) of the Instructions replacing the Instructions for the Presentation of Mining Environmental Impact Studies contained in Ministry Resolution 410, published in Official Gazette No. 724 of 13 December 2002, and in view of the fact that the information required by Official Letter No. 2838 SPA-DINAMI-UAM of 1st November 2006 has not been completed, this Under-Secretariat judges the study to be un-processable and proceeds to return the documentation submitted, back to you. The holder of mining rights may begin a new procedure to present the study, in compliance with the corresponding requirements and procedures, pursuant to the instructions and other applicable regulations. In this regard, I must report to you, for all legal purposes, that since 19 October 2006 the Regulations for Article 28 of the Environmental Management Law have been in effect, issued in Official Gazette No. 289 on that date, and therefore the process for public information and dissemination must abide by that norm as well.

Additionally, in order to be considered in the preparation of the environmental study referenced, please find attached copies of four documents that involve observations made regarding the

Environmental Impact Evaluation Study for exploration in the Junin project that have been received by different authorities in this country.

Sincerely,

[signed and stamped with a seal reading: INTERNAL PROCEDURE, DOCUMENTATION RECEPTION AND CUSTODY]

Architect Yolanda Viteri

UNDER-SECRETARY FOR ENVIRONMENTAL PROTECTION

cc: Regional Directorate of Mining of PICHINCHA
National Directorate of Mining

	Full name	Complete signature	Processing address	Date
Prepared by:	Engineers Kléber Guevara and Marlene Palacios	[signed]	DINAMI-UAM	2006-12-05
Reviewed by:	Engineer Milton Carrasco	[signed]	DINAMI-UAM	2006-12-05