

Mr. Iván Rodríguez  
Minister of Energy and Mining  
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By hand.

Quito, 20 April 2006

Your Excellency:

On behalf of the organizations, parish governments and communities of the zone of Intag whom we represent, our most cordial greetings. First of all, we would like to express our appreciation for the opportunity granted us to present our viewpoints to you regarding the “Golden 1” and “Golden 2” mining concession contracts located in our zone of Intag, Cotacachi canton, today.

As we have told you today, at 4 p.m., we are tremendously concerned at the several irregularities that the Ascendant Copper mining company has been committing in attempting to carry forward its exploration activities in those mining concessions. Today we have had the opportunity to stress two of them, since we have already reported to your Ministry, on numerous occasions, other types of irregularities. Concretely, we are referring to the following:

1. The Municipality of Cotacachi has received an official communication signed by Dr. Genaro Peña-Ugalde, Comptroller-General of the Nation, and from Anita Albán Mora, Esq., Minister of the Environment, in which they state that “*failure to comply with the obligation of eliciting the community’s input prior to making any governmental decision that could affect the environment, for which they must be informed on a timely basis,*” is legal cause to nullify mining contracts. As you know, once again we ratify that there has been no consultation process prior to granting the respective mining concessions for the Golden 1 and Golden 2 areas. We are attaching hereto a copy of said communication.
2. As we have also reported to you, in the course of these last few days, the Ascendant Copper mining company, through Terrambiente Consultores Cía. Ltda., has been publicizing what they call the “Environmental Impact Study” regarding the Junín project. We have learned, from the information provided to us by your Ministry, that the Terms of Reference for presenting an Environmental Impact Study have not yet been approved; for this reason, the document they are calling a “Study” is not legitimate. However, by attempting to publicize it in our zone, the company is not only committing illegal actions that are also legal reasons for nullification, but also generate confusion within communities in the area, which could lead to tension that it is the concern and

duty of all public authorities such as your Ministry and our local governments to prevent. Please find attached hereto a copy of the document that Ascendant and their consultants are calling an “Environmental Impact Study” and the “executive summary” thereof.

Bearing in mind these antecedents, we feel that the Golden 1 and Golden 2 contracts must be considered null and void and we are taking the judicial measures required to ensure this.

Moreover, reiterating our request, presented personally this afternoon, and respectfully received by you, we demand for the Ministry of Energy and Mining to carefully oversee the activities of the Ascendant company regarding Golden 1 and Golden 2 areas, in order to apply and enforce the provisions of our constitution and national legislation.

The outcome of this mining issue is largely in your hands. We hope that you will ensure that justice and respect for human rights will prevail, and that the will of the great majority of the residents, organizations and all local governments of the zone of Intag and the Canton of Cotacachi, who have on numerous occasions rejected the “Junín” mining project, be respected.

Sincerely,

Gisela Morales  
President  
Parish Board of García Moreno

Gustavo León  
President  
Parish Board of Peñaherrera

José Garzón  
President  
Parish Board of Cuellaje

Edmundo Lucero  
President  
Community of Junín

Políbio Pérez  
President  
Council of Communities

Marcia Ramírez  
Women’s Representative  
Community of Junín

Luis Robalino  
Councilman  
Municipality of Cotacachi