

## Mining in Argentina

At **Expomin** (Chile), **Jorge Mayoral** said he trusts that the crisis in the USA will neither stop nor reduce direct investments in Argentina, and that it will not have an impact on mining projects such as **Pachón, Pascua Lama, Potasio Río Colorado, Rincon Salar** or **Agua Rica**.

“Potasio Rio Colorado Project (**Rio Tinto**) is working wonderfully well. Mendoza knows that the project is useful; all requirements are being complied with so it can obtain all necessary authorizations, and the water issue is being solved.”

When asked by The Weekly about the conversations held with companies as regards withholdings, he said: “Withholdings have always existed in Argentina; the Argentine mining industry has grown as from August 2002 with a law, which obliges mining projects to pay fixed withholdings. If you continuously pay attention to the secretary’s work agenda, you would see that we are in permanent contact with companies. It is not out of the ordinary for us to meet with companies because we are making adjustments. We are working.”

“The first requirement in a negotiation table is to protect confidentiality. It is a condition we are never going to modify,” he pointed out.

As regards foreign investments treatment, he said that: “In Argentina, the concept of foreign investments does not exist, because foreign investments get the same treatment as a national enterprise.”

“Argentina is in the highest point it has ever reached in the mining industry development,” stated the senior official in Chile. “We have never seen such a development in the mining industry.”