



MUNICIPIO DE COTACACHI 2014 - 2019

Oficio No.-0674-GADMSAC-2017-A.
Cotacachi, 10 de octubre de 2017

Cotacachi, October 10th 2017

***Mr. Andrew Mackenzie,
CEO – BHP Billiton***

Dear Mr. Andrew Mackenzie,

I extend a cordial greeting from the Autonomous Government of the Municipality of Santa Ana de Cotacachi.

I am writing this letter in order to alert you about the official position of our government regarding mining in our territory. This territory includes the whole area of Intag, Ecuador, where, so far, your company owns five mining concessions covering a total of 22,570 hectares affecting five protected areas. .

I respectfully request that, as CEO of BHP Billiton, you take into account the following legal arguments and respect our decision to keep the Canton Cotacachi free of mining. Failure to do so will indicate your disrespect for the decisions of our autonomous government, as well as the decision of the great majority of civil society in Canton Cotacachi, and will put at risk your investments in our region.

Apart from the political will of the population not to allow the expansion of mining in the Canton of Cotacachi, our canton currently has several legal tools prohibiting and / or rejecting large-scale mining. The most recent of these is the resolution that rejects mining itself, which was unanimously approved by the Municipal Council in July 2017.

Apart from the aforementioned resolution, our canton is governed by the ordinance that declares Cotacachi an ecological Canton, a legal instrument in force since April 2001, which is published in the civil registry of the nation of Ecuador. This ordinance contains several clauses designed to protect the water and biodiversity of the Canton of Cotacachi, and to promote sustainable development. Therefore, mining would openly violate the ordinance.

I take this opportunity to point out that mining is not included in our plan for territorial development, a legal and mandatory instrument, written together with the communities and other local governments of our area, to guide and control the development of our territory.

In addition, we note that mining has been strongly rejected annually by civil society in our Canton - and especially by residents of the Intag area since the first Assembly of Cantonal Unity

held in 1996. These are participatory spaces that allow civil society to raise their concerns and needs, which the Canton then turns into concrete policies and actions for our local government.

Finally, we report that your five concessions in the Canton of Cotacachi affect the following protected forests and buffer zones: a part of your concession Santa Teresa 2, would affect the buffer zone of the Cotacachi-Cayapas Ecological Reserve, one of the most biodiverse national protected areas in Ecuador and in the world. The same concession affects two protected forests: Siempre Verde and El Placer - La Florida. The Sabaleta 2 and Sabaleta 3 mining concessions, on the other hand, affect the entire protected forest of Cebu. All these protected areas have their respective declarations issued by Ecuador's Ministry of Environment and are an integral part of our strategy to conserve our renewable resources and promote sustainable development. The protected reserves, it should be noted, are part of the initiative of the Cantonal Government of Cotacachi and the Provincial Government of Imbabura, to build a new Geo Park in the north of the country- a large and inclusive conservation unit.

In view of the foregoing, I kindly request that you withdraw your concessions from our Canton as soon as possible, and respect the will of the communities and our local government.

Sure to have your favorable attention on this request, I subscribe to you.

Sincerely yours,

Jomar Cevallos Moreno
Mayor
Decentralized Autonomous Government
Municipality Santa Ana de Cotacachi