

TITLE: The Business Year holds a digital roundtable on the future of mining in Ecuador
SF: TBY plays host to a digital conference on the role of mining in the economic reactivation of Ecuador, in partnership with the Chamber of Mining of Ecuador

Quito, May 8, 2020—The Business year (TBY), a global media group that has been providing investors, businesses, and governments with first-hand insights into the world's most dynamic markets for over a decade, held a digital roundtable on Ecuador's mining sector, in partnership with the Chamber of Mining of Ecuador. In addition to René Ortiz, Ecuador's Minister of Energy and Non-Renewable Natural Resources, one executive each from Lundin Gold and SolGold participated in the roundtable. The session was moderated by analyst Walter Spurrier.

During the conference, René Ortiz highlighted how mining can unlock production-based connections with other industrial sectors. Moreover, he pointed out that given the decline in oil prices, mining has great potential to become a foreign-currency generator for Ecuador, both in terms of exports and investment. The minister also announced that the government has successfully built logistical corridors that can maintain supply chains and transport products in a safe way. He added, "Industrial mining is key and vital for the economic reactivation of Ecuador."

Both representatives from the mining sector, namely Ron Hochstein, President and CEO of Lundin Gold, and Nick Mather, CEO of SolGold, restated their commitment to Ecuador and commented on the actions being taken to mitigate the impact of the COVID-19 pandemic and the contributions they are making in terms of local development.

Lundin Gold operates the Fruta del Norte mine in the Zamora Chinchipe province. In 2019, the company invested USD28 million in procurement with local providers. And in 1Q2020,

despite the effects of the pandemic, the company managed to clock exports at USD110 million. However, that resistance was short lived because of the spread of the novel coronavirus. Hochstein explained that as long as the mine is not operational, the Zamora Chinchipe province will suffer a monthly loss of 4% in terms of nominal GDP, whereas and the Yantzaza canton will see its monthly revenues drop by as much as 37%. On that note, he stressed on the importance of resuming mining activity in a controlled manner, given the value of mining as an industry that provides opportunities for communities and supports local development.

Nick Mather from SolGold underscored that the positive effect of mining is much larger than that of oil drilling, since mining companies are more human-capital intensive. In his final remarks, Mather added that the biggest advantage of mining is that it generates employment for local communities, and put forward an example of SolGold's flagship project, the Alpala copper-gold mine, the construction of which alone is expected to generate 3,500 direct jobs.

TBY is present in over 35 countries. It conducts hundreds of interviews a week with top decision makers in the Middle East, Latin America, Central and Southeast Asia, Africa, and Europe. *The Business Year: Ecuador 2020* will be distributed extensively, both domestically and globally, and will reach an even larger audience via TBY's powerful network of digital platforms. All interviews and content will be also available on the key business information platforms: Bloomberg Terminal, Refinitiv Eikon, Dow Jones Factiva, and FactSet.



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