

Tacora Volcano - Azufrera Chile Ltd.

This deposit is located on the Peruvian border and has an estimated 7 million ton reserve. Azufrera Chile Ltd. is a company formed by DEVCO (U.S.A.) and SAUSALCO (Saudi Arabia) to analyze a US\$ 10 million investment in a project to produce 120,000 tons daily of pelletized sulfur from these reserves.

Yandu Volcano - Andes Sulfur Company.

North American, Bolivian and Chilean investors set up the Andes Sulfur Company to analyze a project worth US\$ 8 million to produce 100,000 annual tons of pelletized sulfur. The project was abandoned.

San Pedro de Atacama - Condesa Mining Corp.

Condesa Mining Corp. of the U.S.A. has been authorized by the Foreign Investment Committee to invest US\$ 25 million in two sulfur mines near San Pedro de Atacama with a treatment capacity of 1,000 tpd. The project would include construction of a concentrating plant, a refining plant and a pipe line to the port of Coloso, south of Antofagasta. No starting date has been reported.

Purico - Privately Owned.

Empresa Minera y de Transportes Hernani currently extracts saltpeter from the Purico Volcano in the I Region for the production of sulfuric acid. Production is approximately 1,100 tpy of refined sulfur. This company has another plant in Calama where it supplies Chuquicamata with 8,000 tpy, and a plant in Santiago to produce 600 tons of ventilated sulfur for the chemical industry and the production of rayon.

Placer Developments of Canada has also completed a geological analysis in the Purico Volcano.

Other Deposits.

Freeport Azufre, a subsidiary of the U.S.A. sulfur producer, is exploring several deposits in the North with the idea of producing and exporting sulfur to the U.S.A. to compensate for the decrease in Frasch Process production. Four places have attracted their interest: Sillajuaya, Aucanquilcha, Apagado and Plato de Sopa.

Aucanquilcha and Plato de Sopa seem to be the most promising possibilities.

In January, 1989 Pan Continental Minerals of the Cayman Islands, received approval from the Banco Central to use a Chapter XIX debt-equity swap to invest US\$ 2 million in Compañía Chile International Sulfur.

Other local producers of sulfur are Productora de Azufre Carrasco in Calama, Sociedad Azufrera Polpaico in Calama, SLM Yugoslavia Uno in San Pedro de Atacama, Segex in Calama, Sociedad Azufrera Borlando in Santiago and Sociedad Legal Minera La Solución in Chillán.

III.3.- Calcium Carbonate Mining

In 1991 Chile produced a total of 3,984,087 tons of calcium carbonate from numerous mines. More than 60% of this production is used to make cement. The rest is converted into lime and used as a pH corrector in mining and as an acidity corrector for soils in agriculture. It is also used in construction (vulcanite panels).

Cement.

Cement demand in Chile is closely related to the economy's general growth rate. In 1989 the 10% growth in the gross domestic product enabled cement demand to increase by 15.3%. In 1991 demand increased to record levels: Chilean consumption was 2,2 million. In addition, 51,458 tons were exported. Shipments are delivered to Tahiti, in Polynesia, which has opened up as a market for Melón and Polpaico.

Cement production has increased in recent years after a severe depression between 1982 and 1984. The high level of current consumption is a result of more public works and construction.

39.6% of national demand is supplied by Cemento Polpaico, 38.7% by Cemento Melón, 13.2% by the Talcahuano Plant of Cementos Bio-Bio and 8.5% by the Inacesa- Antofagasta Plant of Cementos Bio Bio.