

## Free Trade with the Americas-Honduras is Next in Line For Canadian Mining Suppliers

On August 12, 2011, Prime Minister Harper announced the conclusion of negotiations for a Canada-Honduras free trade agreement during an official visit to San Pedro Sula, Honduras. Bilateral trade agreements are important to mining companies and can be very beneficial to the Canadian economy; in 2008 Canada's mining presence in Latin America had reached \$57 Billion and the numbers continue to increase. Honduras, the Central American country of 7.5 Million people, is a country with a high potential for mining activity. Ms. Sofia Cerrato, the recently appointed ambassador to Canada, is actively promoting "Honduras Open for Business" to Canadian mining companies.

"Attracting foreign investment is a top priority for Honduras, since 60% of our territory has mining potential, we are keen on Canadians bringing their expertise in mining development, as well as in social responsibility, particularly community engagement", said Ms. Cerrato. As a region, Honduras and the neighboring Central American countries of Guatemala, El Salvador and Nicaragua, are moving their economies forward with major infrastructure projects and policy reform, a renewed approach to leave behind the political instability and economic challenges seen in past decades.

To facilitate access and increase capacity, Honduras is making considerable strides in infrastructure, an example is the "Canal Seco" (Dry Canal), a 70 Km secondary road in Honduras, part of a bi-oceanic corridor between the Pacific and Caribbean coasts.

Canadian interests in Honduras are exemplified by Breakwater Resources, now Nystar, who operate the El Mochito mine, located in north-west Honduras near the town of Las Vegas. The mine has been in operation since 1948 and has a long history of reserve replacement and promising exploration potential. As part of their sustainability practices the mining company has been running a successful community engagement program. One of the highlights is the creation of the Centro Educativo Vocacional El Mochito (CEVEM), the first mining-oriented vocational training institute in Central America.

There are few industry sectors in Canada as internationally active as the mining industry; Canadian-listed firms have over 5100 mineral projects in varying stages of development around the world.