

## **Chavez' gold mine repossession statement could negatively impact Gold Reserve's concession claim to Las Brisas del Cuyuni**

2008-09-20 08:07:27 - President Hugo Chavez said, Friday, that his [government](#) is regaining control of large gold mines in southern Venezuela. Although he did not specify which, there is speculation by Reuters News Agency, out of Caracas, that it could affect the development of the Las Cristinas project and Las Brisas del Cuyuni gold resources.

VHeadline editor & publisher Roy S. Carson writes:

Speaking at an event for regional women activists in his United Socialist Party of Venezuela (PSUV), Chavez is quoted in Spanish-language reports to have said that Venezuela has "recovered/repossessed some large mines, and that one of them is the largest in the world! ... Gold, gold!"

Reuters Latina says that Las Cristinas is "listed as one of the largest gold deposits in the non-developed world" but that, in May, the [Environment](#) Minister (MinAmb) , said that there would be no further open cast exploitation for gold in the Imataca forest reserve. That statement has since, however, been somewhat modified and Crystallex, at least, was informed earlier this month that it had satisfied all additional environment requirements satisfactorily according to negotiations with Environment vice-minister Merly Garcia.

It is difficult to see how Las Cristinas could be repossessed to the Venezuelan State since it is already 100% owned by the Venezuelan government, and the overall project is the subject of a mine-operating contract between the state-owned Venezuelan Guayana Corporation (CVG) and Toronto-based Crystallex International signed six years ago.

US Spokane-based Gold Reserve is, however, claiming ownership of the Las Brisas del Cuyuni mine under a "concession" awarded by a previous administration ... and it is still in negotiations with MinAmb and the Basic [Industries & Mining](#) (Mibam) Ministry without any further progress on a rescinded final permit to begin work on the Brisas project.

Despite Reuters' focus on Las Cristinas, it is believed that the President (without further specification) was referring to a larger combined Brisas/Cristinas project, which would necessarily see Gold Reserve's claimed concession brought under Venezuelan government control, if not directly repossessed.

The government has been insisting on having a majority ownership in gold projects in Venezuela and has recently enthusiastically approved a 50/50 socialist joint-venture project with the Russian Agapov group's Rusoro Mining to mine gold at Las Camorra and Isidro in southern Bolivar State.

In a statement to VHeadline, Crystallex vice president A. Richard Marshall said late Friday evening that "we believe the Venezuelan government is clearing the path to allow the Las Cristinas project to advance. Las Cristinas is a government-owned project (incorrectly reported by Reuters) and Crystallex is the builder and operator based on the Mine Operating Contract awarded by the Chavez Administration in September 2002."

At time of [writing](#) NO statement was available from any Gold Reserve spokesperson.

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