

## Compañía de Minas Buenaventura Announces First Quarter 2007 Results

Lima, Peru, April 26, 2007 – **Compañía de Minas Buenaventura S.A.A.** (“Buenaventura” or “the Company”) (NYSE: BVN; Lima Stock Exchange: BUE.LM), Peru’s largest publicly traded precious metals mining company, announced today its results for the first quarter of 2007. All figures have been prepared according to Peruvian GAAP and are stated in U.S. dollars (US\$).

### Comments from the Chief Executive Officer:

Mr. Roque Benavides, Chief Executive Officer of Buenaventura stated:

“Net income in 1Q07 was US\$36.7 million, or US\$0.29 per ADS, which represents a decrease of 71% when compared to 1Q06. The un-winding of 483,000 gold ounces from the hedge book in March had a one time negative net effect of US\$55.0 million.

Operating income for 1Q07 was US\$78.2 million, a 38% increase when compared to 1Q06. EBITDA from Buenaventura’s direct operations was US\$85.8 million, 64% higher than the figured achieved in 1Q06.

These results were mainly driven by higher sales revenues.”

### Financial Highlights (in millions of US\$, except EPS figures):

	1Q07	1Q06	Var%
<b>Total Revenues</b>	164.6	128.5	<b>28%</b>
<b>Operating Income</b>	78.2	56.4	<b>38%</b>
<b>EBITDA (BVN Direct Operations)*</b>	85.8	52.3	<b>64%</b>
<b>EBITDA (including Yanacocha and Cerro Verde)*</b>	192.8	192.6	<b>0%</b>
<b>Net Income</b>	36.7	126.6	<b>-71%</b>
<b>EPS</b>	0.29	0.99	<b>-71%</b>

(\* ) Doesn’t include un-winding effect of the hedge book

Compañía  
de Minas



Buenaventura

Visit our website:

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## Operating Revenue

In 1Q07, net sales were US\$150.8 million, a 47% increase when compared to the US\$102.7 million reported in 1Q06 mainly due to higher volumes of lead and zinc sold, as well as an increase in the realized prices of gold, silver, zinc and lead.

Royalty income during 1Q07 totaled US\$8.4 million, a 36% decrease when compared to the US\$13.1 million reported in 1Q06. This was due to lower sales at Yanacocha.

<b>Operating Highlights</b>	<b>1Q07</b>	<b>1Q06</b>	<b>Var%</b>
Net Sales (in millions of US\$)	150.8	102.7	<b>47%</b>
Average Realized Price Gold (US\$/oz) inc. Yanacocha *	612	506	<b>21%</b>
Average Realized Price Silver (US\$/oz)	13.23	9.70	<b>36%</b>
Average Realized Price Lead (US\$/TM)	1,775	1,226	<b>45%</b>
Average Realized Price Zinc (US\$/TM)	3,377	2,140	<b>58%</b>
Average Realized Price Copper (US\$/TM) inc. Cerro Verde	2.79	2.24	<b>24%</b>

<b>Sales Content</b>			
	<b>1Q07</b>	<b>1Q06</b>	<b>Var%</b>
Gold (in oz) Direct Operations	108,918	100,120	<b>9%</b>
Gold (in oz) inc. Yanacocha	307,669	436,161	<b>-29%</b>
Silver (in oz)	3,871,855	4,030,366	<b>-4%</b>
Lead (in MT)	8,766	7,838	<b>12%</b>
Zinc (in MT)	15,687	12,981	<b>21%</b>
Copper (in MT) inc. Cerro Verde	9,536	3,502	<b>172%</b>

(\*) Average realized gold price from Direct Operations was US\$537/oz in 1Q07 (US\$344/oz in 1Q06), while Yanacocha's realized price was US\$653/oz in 1Q07 (US\$554/oz in 1Q06)

## Production and Operating Costs

Buenaventura's equity production<sup>1</sup> during 1Q07 was 94,349 ounces of gold, 1% higher than the 93,144 ounces reported in 1Q06; and 3,359,653 ounces of silver, a 1% increase when compared to the 3,314,758 ounces reported in 1Q06.

1. Equity Production			
	1Q07	1Q06	Var%
Gold (in oz) Direct Operations	94,349	93,144	1%
Gold (in oz) inc. Yanacocha	276,881	442,537	-37%
Silver (in oz)	3,359,653	3,314,758	1%
Lead (in MT)	5,708	4,254	34%
Zinc (in MT)	8,452	6,587	29%
Copper (MT) inc. Cerro Verde	9,413	4,207	124%

At **Orcopampa (100%)**, total gold production in 1Q07 was 63,219 ounces, a 2% increase when compared to the 61,751 ounces reported in 1Q06 (Appendix 2).

Cash operating cost during 1Q07 was US\$139/oz, 7% higher when compared to 1Q06 (US\$130/oz). This was best explained by:

1. An increase in exploration expenses due to higher diamond drilling work.
2. Higher reagent consumption and prices (cyanide)
3. Higher royalties paid to the government due to higher realized gold prices

Total royalties paid to the government at Orcopampa in 1Q07 were US\$0.53 million.

At **Uchucchacua (100%)**, total silver production during 1Q07 was 2,006,911 ounces, an 8% decrease when compared to 1Q06 (2,172,766) mainly due to lower grades ( 14.3 Oz/ST in 1Q07 versus 15.7 Oz/ST in 1Q06) and silver recoveries (65% in 1Q07 versus 73% in 1Q06).

Cash operating cost in 1Q07 increased 59% from US\$3.57/oz in 1Q06 to US\$5.69/oz. This was best explained by:

1. A 13% increase in ore treated, a 9% reduction in silver grade, and a 10% lower recovery explained by higher clay and manganese from the Socorro mine and oxide ore from the Huantajalla mine.
2. Higher expenses in support supplies.
3. Higher reagent consumption due to the previously-mentioned metallurgical difficulties.

Total royalties paid to the government at Uchucchacua in 1Q07 were US\$0.38 million.

<sup>1</sup> Production includes 100% of operating units, 100% of CEDIMIN and 34.29% of El Brocal

At **Antapite (100%)**, total production in 1Q07 was 18,663 ounces of gold, a decrease of 25% when compared to 1Q06 (24,958 ounces), mainly due to a 44% decrease in the gold grade from 0.59 Oz/ST to 0.33 Oz/ST as well as a 2% reduction in recoveries.

Gold cash operating cost in 1Q07 was US\$347/Oz, a 51% increase when compared to the US\$230/Oz in 1Q06. This increase was explained by lower gold production.

Total royalties paid to the government at Antapite in 1Q07 were US\$0.13 million.

At **Colquijirca (34.29%)**, total zinc production was 18,984 MT in 1Q07, a 22% increase when compared to the 15,508 MT in 1Q06 due to the higher tonnage treated. Total silver production during 1Q07 was 2,074,278 ounces, a 4% increase when compared to the 1,997,908 ounces reported in 1Q06 due to higher ore treated despite the decrease in silver grade (Appendix 2).

Zinc cash operating costs in 1Q07 was US\$261/MT, a 149% increase when compared to the US\$105/MT in 1Q06 due to higher smelting charges.

Total royalties paid to the government at Colquijirca in 1Q07 were US\$0.55 million.

## Operating Expenses

General and administrative expenses for 1Q07 were US\$8.2 million, in-line with the US\$8.1 million reported in 1Q06.

Exploration costs in non-operating areas during 1Q07 were US\$9.0 million, a 3% increase compared to the US\$8.7 million reported in 1Q06. The main efforts were focused at Marcapunta, El Milagro, Trapiche and the Mallay projects.

## Operating Income

Operating income in 1Q07 was US\$78.2 million, a 38% increase compared to the US\$56.4 million reported in 1Q06. This result was mainly due to the 28% increase in operating revenues, which offset the 23% increase in the total cost of operations and operating expenses, which increased by 12%.

## Share in Affiliated Companies

Buenaventura's income from non-consolidated affiliates was US\$55.0 million in 1Q07, a decrease of 40% when compared to the US\$92.4 million reported in 1Q06. This decrease is explained by the lower contribution from Yanacocha, US\$27.2 million in 1Q07 versus US\$77.5 million in 1Q06, while Cerro Verde increased its contribution from US\$13.7 million in 1Q06 to US\$27.2 million in 1Q07.

At Yanacocha (43.65%), 1Q07 gold production was 418,170 ounces of gold, a decrease of 48% when compared to 1Q06 (800,443 ounces). This was mainly due to lower ore grade and a higher stripping ratio.

Cash cost at Yanacocha during 1Q07 was US\$319/oz, which represented a 90% increase compared to a cash cost of US\$168/oz in 1Q06. This is explained by the decrease in gold production.

As a consequence of the above mentioned factors, net income at Yanacocha during 1Q07 was US\$69.3 million, a 60% decrease when compared to the 1Q06 figure (US\$173.0 million), and EBITDA was US\$139.6 million, a decrease of 52% compared to 1Q06 (US\$288.8 million). This decrease took place despite higher realized gold prices, which increased from US\$554/oz in 1Q06 to US\$653/oz in 1Q07.

CAPEX for 1Q07 was US\$56.1 million, in-line with the figure reported in 1Q06, mainly due to the construction of the Gold Mill to treat transitional ore.

At Cerro Verde (18.50%), 1Q07 copper production was 50,880 MT, a 124% increase when compared to 1Q06 (22,741 MT).

In 1Q07, net income reached US\$148.6 million, a 93% increase compared to 1Q06 (US\$77.2 million). Net sales at Cerro Verde increased 240%, from US\$93.5 million in 1Q06 to US\$317.7 million in 1Q07 mainly due to the higher volume of copper sold.

CAPEX for 1Q07 totaled US\$43.5 million (Growth CAPEX was US\$37.5 million and Sustaining CAPEX was US\$6.0 million).

## Net Income

This quarter, Buenaventura's net income was US\$36.7 million, representing US\$0.29 per ADS, a 71% decrease when compared to the US\$126.6 million reported (US\$0.99 per ADS) in 1Q06. This decrease was explained by:

1. A decrease of 65% in the contribution from Yanacocha (US\$77.5 million in 1Q07 versus US\$27.2 million in 1Q06), which was partially offset by a 99% increase in the contribution from Cerro Verde (US\$27.2 million in 1Q07 versus US\$13.7 million in 1Q06).
2. A total net expense of US\$55.0 million from the un-winding of 483,000 gold ounces as reported on March 9, 2007.

## Hedging Operations

The total hedge book mark-to-market value as of March 31, 2007 was a negative (US\$489.2) million (US\$585.7 million as of December 31, 2006).

Per the SEC Filing on March 9, 2007, the Company un-winded 483,000 gold ounces after a payment of US\$145 million. The updated hedge book is shown in Appendix 3.

## Project Development

### UCHUCCHACUA

- The deepening of the Carmen and Socorro mines includes:
  1. The construction of the ramp 760 (located in the Carmen mine), which is currently 21% complete, and expected to be fully-completed in March 2008.
  2. The construction of the ramp 626 (located in the Socorro mine), which is currently 34% complete, and is expected to be fully-completed in February 2008.
  3. The deepening of the Master Shaft (located in the Carmen mine), is currently 88% complete and is expected to be fully-completed in August 2007. However, the entire project, which includes 2,713m ramps and other facilities, is today 40% completed and should be fully-operational in June 2008.

During 1Q07, total investment was US\$0.8 million (accumulated US\$3.9 million) out of a budgeted US\$10.3 million.

- At the Mallay project, exploration work in the Isguiz and Fortuna areas reported a total of 2,527 meters drifted and 7,401 meters drilled. Resources reported in this project account for 317,000DST, with 5.63 ounces of silver, 7.58% of zinc and 4.88% of lead.

### ORCOPAMPA

- The adit to connect the Prometida and Nazareno mines at 3340 meters after drifting 583 meters is 27% complete. The project entails drifting a total of 2,157 meters to be completed by year end. The deepening of the Master Shaft (located in the Nazareno mine) from 3390 meters to 3290 meters is 10% complete. Total investment for this project in 2007 is expected to be US\$6.6 million. During 1Q07, investment was US\$2.3 million.
- The expansion of the tailing dam Number 4 to increase capacity to 1.3 million DST is currently 78% complete. During 1Q07, investment was US\$1.5 million. Total estimated investment for the project is \$5.8MM.
- A Project to retreat tailings from the older tailing dam Number 3 has been approved. This will permit the recovery of at least 53,000 gold ounces and 190,000 silver ounces in two years, with an estimated investment of US\$5.7 million.
- During 1Q07, the new facilities at the Orcopampa treatment plant were tested, treating 4,292 DST of Poracota ore material concentrate with positive results and producing 408 DST of gold-silver concentrate. These facilities will also be used to treat the above mentioned old tailings.

### ANTAPITE

- The expansion of the tailing dam, to increase capacity, is 80% complete, and is expected to be fully-completed by the end of 2007. During 1Q07, investment totaled \$1.2 million out of a budgeted US\$3.5 million.

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### Company Description

Compañía de Minas Buenaventura S.A.A. is Peru's largest, publicly-traded precious metals company and a major holder of mining rights in Peru. The Company is engaged in the mining, processing, development and exploration of gold and silver and other metals via wholly owned mines as well as through its participation in joint exploration projects.

Buenaventura currently operates four mines in Peru and also has controlling interests in four mining companies as well as a minority interest in several other mining companies in Peru. The Company owns 43.65% in Minera Yanacocha S.R.L. (a partnership with Newmont Mining Corporation) which is one of the most important precious metal producers in the world and 18.50% in Sociedad Minera Cerro Verde S.A.A, an important copper Peruvian Company.

#### Note on Forward-Looking Statements

This press release may contain forward-looking information (as defined in the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties, including those concerning the Company's, Yanacocha and Cerro Verde's costs and expenses, results of exploration, the continued improving efficiency of operations, prevailing market prices of gold, silver, copper and other metals mined, the success of joint ventures, estimates of future explorations, development and production, subsidiaries' plans for capital expenditures, estimates of reserves and Peruvian political, economical, social and legal developments. These forward-looking statements reflect the Company's view with respect to the Company and Yanacocha's future financial performance. Actual results could differ materially from those projected in the forward-looking statements as a result of a variety of factors discussed elsewhere in this Press Release.

**\*\*Tables to follow\*\***

## APPENDIX 1

Equity Participation in Affiliates and Subsidiaries		
	BVN Equity %	Operating Mines
Minera Yanacocha	43.65	Yanacocha
Sociedad Minera El Brocal*	34.29	Colquijirca
Sociedad Minera Cerro Verde	18.50	Cerro Verde
Cedimin*	100.00	Shila / Paula
Minera Minasnioc*	60.00	Minasnioc Project
Minera La Zanja *	53.06	La Zanja Project
Buenaventura Ingenieros*	100.00	-
Consorcio Energetico de Huancavelica*	100.00	-

\*Consolidates

## APPENDIX 2

<b>GOLD PRODUCTION</b>						
<b>Three Months Ended March 31</b>						
	<b>Orcopampa</b>			<b>Antapite</b>		
	<b>2007</b>	<b>2006</b>	<b>%</b>	<b>2007</b>	<b>2006</b>	<b>%</b>
Ore Milled DST	116,000	114,756	1.1%	44,100	44,202	-0.2%
Ore Grade OZ/ST	0.57	0.56	1.1%	0.33	0.59	-44.2%
Recovery Rate %	96.0%	95.8%		94.5%	96.4%	
<b>Ounces Produced</b>	<b>63,219</b>	<b>61,751</b>	<b>2.4%</b>	<b>18,663</b>	<b>24,958</b>	<b>-25.2%</b>

<b>SILVER PRODUCTION</b>						
<b>Three Months Ended March 31</b>						
	<b>Uchucchacua</b>			<b>Colquijirca</b>		
	<b>2007</b>	<b>2006</b>	<b>%</b>	<b>2007</b>	<b>2006</b>	<b>%</b>
Ore Milled DST	215,727	190,849	13.0%	454,594	366,384	24.1%
Ore Grade OZ/ST	14.27	15.70	-9.1%	5.94	7.10	-16.4%
Recovery Rate %	65.4%	72.5%		75.9%	77.1%	
<b>Ounces Produced</b>	<b>2,006,911</b>	<b>2,172,766</b>	<b>-7.6%</b>	<b>2,074,278</b>	<b>1,997,908</b>	<b>3.8%</b>

<b>ZINC PRODUCTION</b>						
<b>Three Months Ended March 31</b>						
	<b>Uchucchacua</b>			<b>Colquijirca</b>		
	<b>2007</b>	<b>2006</b>	<b>%</b>	<b>2007</b>	<b>2006</b>	<b>%</b>
Ore Milled DST	215,727	190,849	13.0%	454,594	366,384	24.1%
Ore Grade %	1.34%	1.15%	16.6%	6.08%	6.26%	-2.9%
Recovery Rate %	46.7%	46.7%		75.6%	74.4%	
<b>ST Produced</b>	<b>1,316</b>	<b>1,156</b>	<b>13.8%</b>	<b>20,927</b>	<b>17,095</b>	<b>22.4%</b>



**APPENDIX 3**

**Total Gold Commitments  
 Physical Gold Delivery  
 As of April 1, 2006**

		2007	2008	2009	2010	2011	2012	Total
<b>285</b>	Ounces	120,000	120,000	248,000	273,000	300,000	349,000	<b>1,410,000</b>
	\$/oz	317.13	312.17	316.05	289.76	285.00	357.91	<b>314.48</b>
<b>290</b>	Ounces	120,000	120,000	248,000	273,000	300,000	349,000	<b>1,410,000</b>
	\$/oz	340.56	314.67	332.38	307.03	301.50	358.38	<b>326.53</b>
<b>300</b>	Ounces	120,000	120,000	248,000	273,000	300,000	349,000	<b>1,410,000</b>
	\$/oz	340.56	319.67	334.80	314.10	309.50	359.33	<b>330.68</b>
<b>345</b>	Ounces	120,000	120,000	248,000	273,000	300,000	349,000	<b>1,410,000</b>
	\$/oz	340.56	342.17	345.69	345.92	345.50	363.58	<b>349.39</b>
<b>350</b>	Ounces	120,000	120,000	248,000	273,000	300,000	349,000	<b>1,410,000</b>
	\$/oz	340.56	342.17	345.69	348.35	347.75	363.58	<b>350.34</b>
<b>385</b>	Ounces	120,000	120,000	248,000	273,000	300,000	349,000	<b>1,410,000</b>
	\$/oz	340.56	342.17	345.69	365.40	363.50	363.58	<b>356.99</b>
<b>420</b>	Ounces	120,000	120,000	248,000	273,000	300,000	349,000	<b>1,410,000</b>
	\$/oz	340.56	342.17	345.69	382.45	389.45	369.16	<b>367.19</b>
<b>436</b>	Ounces	120,000	120,000	248,000	273,000	300,000	349,000	<b>1,410,000</b>
	\$/oz	340.56	342.17	345.69	390.25	396.65	369.16	<b>370.23</b>
<b>451</b>	Ounces	120,000	120,000	248,000	273,000	300,000	349,000	<b>1,410,000</b>
	\$/oz	340.56	342.17	345.69	390.25	403.40	369.16	<b>371.67</b>

**Compañía de Minas Buenaventura S.A.A. and subsidiaries**  
**Consolidated Balance sheet**

As of December, 31 2006 and as of March, 31 2007

	<b>2006</b>	<b>2007</b>
	<b>US\$(000)</b>	<b>US\$(000)</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	239,533	198,516
Gold certificates	63,210	-
Short term financial investments	56,549	56,845
Trade accounts receivable	77,422	50,212
Other accounts receivable, net	4,481	5,828
Accounts receivable from affiliates	11,714	10,775
Inventories, net	30,621	28,735
Current portion of prepaid taxes and expenses	7,961	7,529
<b>Total current assets</b>	<b>491,491</b>	<b>358,440</b>
Long – term accounts receivables	1,524	1,393
Prepaid taxes and expenses	10,501	8,353
Investments in shares	839,129	893,919
Property, plant and equipment, net	215,643	216,562
Development cost, net	64,753	69,299
Deferred income tax and workers' profit sharing asset, net	111,447	140,368
Other assets, net	1,283	1,218
<b>Total assets</b>	<b>1,735,771</b>	<b>1,689,552</b>
<b>Liabilities and shareholders' equity, net</b>		
<b>Current liabilities</b>		
Bank loans	10,000	10,000
Trade accounts payable	28,539	23,123
Income tax	34,485	17,673
Dividends and other current liabilities	59,779	112,742
Current portion of long – term debt	491	422
Deferred income form sale of future production	43,032	20,279
<b>Total current liabilities</b>	<b>176,326</b>	<b>184,239</b>
Other long term liabilities	64,651	59,663
Long term debt	115	29
Deferred income form sale of future production	194,173	152,001
<b>Total liabilities</b>	<b>435,265</b>	<b>395,932</b>
<b>Shareholders' equity net</b>		
Capital stock, net of treasury shares of US\$14,474,000	173,930	173,930
Investments shares, net of treasury shares of US\$37,000	473	473
Additional capital	177,713	177,713
Legal reserve	37,679	37,679
Other reserves	269	269
Retained earnings	852,148	841,739
Cumulative translation loss	(34,075)	(34,075)
Unrealized gains on investments carried at fair value	932	963
	<u>1,209,069</u>	<u>1,198,691</u>
Minority interest	91,437	94,929
<b>Total shareholders' equity, net</b>	<b>1,300,506</b>	<b>1,293,620</b>
<b>Total liabilities and shareholders' equity, net</b>	<b>1,735,771</b>	<b>1,689,552</b>

**Compañía de Minas Buenaventura S.A.A. and subsidiaries**  
**Consolidated Statements of income**

For the three month period ended March, 31 2006 and March 31, 2007

	<b>2006</b> <b>US\$(000)</b>	<b>2007</b> <b>US\$(000)</b>
<b>Operating revenues</b>		
Net sales	102,696	150,818
Royalties income	13,070	8,381
Realized income from sales of future production	12,749	5,393
<b>Total revenues</b>	<u>128,515</u>	<u>164,592</u>
<b>Costs of operation</b>		
Operating costs	33,409	42,709
Exploration and development cost in operational mining sites	11,558	11,652
Depreciation and amortization	5,469	7,923
<b>Total costs of operation</b>	<u>50,436</u>	<u>62,284</u>
<b>Gross margin</b>	<u>78,079</u>	<u>102,308</u>
<b>Operating expenses</b>		
General and administrative	8,111	8,213
Exploration cost in non-operational mining sites	8,736	8,958
Royalties	3,588	5,590
Selling	1,218	1,397
<b>Total operating expenses</b>	<u>21,653</u>	<u>24,158</u>
<b>Operating income</b>	<u>56,426</u>	<u>78,150</u>
<b>Other income (expenses), net</b>		
Share in affiliate companies	92,417	55,044
Interest income	1,108	2,690
Loss from changes in the fair value of derivative instruments	(13,124)	-
Interest expenses	(1,813)	(1,549)
Income from changes in the market value of gold certificates	-	5,126
Exchanges differences gain (loss)	193	(287)
Net loss from releasing fix prices in commercial contracts	-	(85,455)
Other, net	9	(903)
<b>Total other income, net</b>	<u>78,790</u>	<u>(25,334)</u>
<b>Income before workers' profit sharing, income tax and minority interest</b>		
	135,216	52,816
Workers' profit sharing	2,201	574
Income tax	4,089	(555)
<b>Net income before minority interest</b>	<u>141,506</u>	<u>52,835</u>
Minority interest	(14,948)	(16,173)
<b>Net, income</b>	<u>126,558</u>	<u>36,662</u>
<b>Basic and diluted earnings per share, of Compañía de Minas Buenaventura S.A.A., stated in U.S. dollars.</b>		
	<u>0.99</u>	<u>0.29</u>
<b>Weighted average number of shares outstanding</b>	<u>127,221,164</u>	<u>127,221,164</u>

**Compañía de Minas Buenaventura S.A.A. and subsidiaries**  
**Consolidated Statements of cash flows**

For the three month period ended March, 31 2006 and March 31, 2007

	<b>2006</b>	<b>2007</b>
	US\$(000)	US\$(000)
<b>Operating activities</b>		
Collections from costumers	97,715	178,028
Settlement of Gold Certificates	-	135,189
Collections of royalties	16,192	9,036
Collections of interest	959	2,870
Recovery of value added tax receivable	7,079	2,668
Collections of dividends	39,289	-
Payment of releasing fix prices in commercial contracts	-	(144,987)
Purchase of Gold Certificates	-	(66,853)
Payment to suppliers and third parties	(38,189)	(49,936)
Payments of income tax	(8,406)	(38,427)
Payments to employees	(13,750)	(25,725)
Payments of exploration expenditures	(16,465)	(15,127)
Payment of royalties	(5,034)	(7,210)
Payments of interest	(464)	(601)
<b>Net cash provided by (used in) operating activities</b>	<b>78,926</b>	<b>(21,075)</b>
<b>Investing activities</b>		
Purchase of plant and equipment	(6,729)	(9,679)
Development cost expenditures	(6,477)	(7,835)
Increase on time deposit	-	(4,889)
Proceeds from sale of plant and equipment	29	327
Payments by purchase of investments in shares	(2,747)	-
Payments from derivative instruments settled, net	(2,673)	-
Increase on mutual fund	(1,000)	-
<b>Net cash used in investing activities</b>	<b>(19,597)</b>	<b>(22,076)</b>
<b>Financing activities</b>		
Payments of dividends for minority interest shareholders	(4,260)	(2,600)
Increase (decrease) of long-term debt	226	(155)
Decrease of bank loans, net	(2,461)	-
<b>Net cash used in financing activities</b>	<b>(6,495)</b>	<b>(2,755)</b>
Net increase (decrease) in cash during the period	52,834	(45,906)
<b>Cash at beginning of period</b>	<b>96,851</b>	<b>176,600</b>
<b>Cash at period end</b>	<b>149,685</b>	<b>130,694</b>

	<b>2006</b>	<b>2007</b>
	US\$(000)	US\$(000)
<b>Reconciliation of net income to net cash provide by operating activities</b>		
Net income	126,558	36,662
<b>Add (deduct)</b>		
Minority interest	14,948	16,173
Depreciation and amortization	6,697	8,326
Amortization of development costs	3,509	3,243
Long term officers' compensation	1,121	1,523
Accrual for mining closing costs	1,349	948
Net cost of retired plant and equipment	1,124	593
Exchange differences loss (gain), net	(193)	287
Loss from changes in the fair value of derivative instruments	13,124	-
Income from releasing fix prices in commercial contracts	-	(59,532)
Share in affiliated companies, net of dividends	(53,128)	(55,044)
Gain for deferred income tax and workers' profit sharing expenses	(22,989)	(28,921)
Realized income from sale of future production	(12,749)	(5,393)
Other	(168)	(168)
<b>Net changes in assets and liabilities accounts</b>		
<i>Decrease (increase) of operating assets -</i>		
Gold certificates	-	63,210
Trade accounts receivable	(4,981)	27,210
Other accounts receivable	414	(1,216)
Accounts receivable from affiliates	2,504	939
Inventories	(137)	3,075
Prepaid taxes and expenses	(1,468)	2,580
<i>Decrease (increase) of operating liabilities-</i>		
Trade account payable	-	(5,416)
Income tax	5,926	(16,812)
Dividens and other liabilities	(2,535)	(13,342)
<b>Net cash provided by (used in) operating activities</b>	<b><u>78,926</u></b>	<b><u>(21,075)</u></b>

(\*)This provision corresponds to a long term compensation (10 year program) granted to the Company to certain officers