

BASIC FACTS ON CHALILLO

CHALILLO - ENSURING A BRIGHT FUTURE FOR BELIZE

HOW DOES HYDROELECTRIC POWER WORK?

Hydroelectric power begins with water descending from an elevated reservoir, such as a lake in the mountains. The water is channelled downward through a pipe and past the blades of a turbine, causing the turbine to turn, somewhat akin to the way the wind causes a windmill to turn.

The turbine is attached to an electric generator from which electricity is generated as the rotor of the generator which is essentially a large electromagnet, spins inside a collection of stationary wire coils. The electric current that is induced in the coils is then sent to homes and businesses through transformers and power lines.

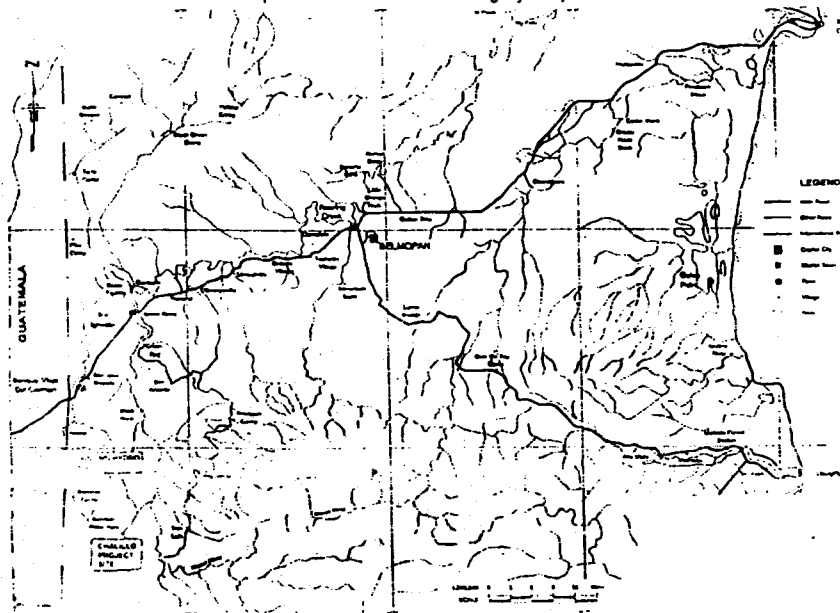


Graphic Consultant

Page 6, 1990 B7

BASIC FACTS ON CHALILLO

The Chalillo Project site is situated in the western part of the country, in an area known as the Maya Mountains. It is 7 miles downstream from where the Macal and Ruspaculo Rivers meet and 12 miles upstream from the existing hydro plant.



Chalillo will result in cheaper electricity cost and a more reliable supply of power for Belize.

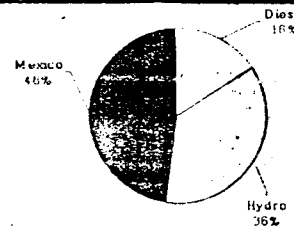
ESTIMATED COST OF POWER FROM VARIOUS SOURCES

SOURCE	COST (BZ\$/KWH)
DIESEL	.16 - .20 CENTS
MEXICAN IMPORTS	.10 - .16 CENTS
CO-GENERATION PROJECTS	.12 - .10 CENTS
CHALILLO PROJECT	.10 - .12 CENTS

The average cost of energy presently is Bz\$0.175 per kWh.

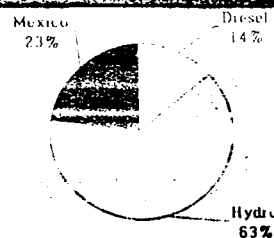
Belize is currently dependent on Mexico for almost half of its energy needs.

BREAKDOWN OF PRESENT POWER SUPPLY



*Average percentage as of Jan. - Dec. 2000.

BREAKDOWN OF FUTURE POWER SUPPLY WITH CHALILLO



The Chalillo Project proposes to create a water storage facility upstream on the Macal River, so that the water can be better managed to significantly increase the amount of electrical energy that the existing hydro plant produces. With Chalillo, more than 60% of the country's power requirements will be provided with local hydro production.

The storage capacity of the Chalillo Project will be approximately 120 million cubic meters.

The reservoir would cover an area of about 9 square kilometers of land.

The Project will increase the hydro output to 36 MW and deliver 168 GWh of electricity and can supply power to more than half the country each year.

The Project will be built at an estimated cost of BZ\$60 million.

Hydroplants, when properly maintained, last forever.