Rights Action – April 1, 2011 HudBay Minerals Impunity Watch

MEDIA COVERAGE ACROSS CANADA:

Mayan women, victims of gang rapes, announce lawsuit against Canadian mining company, Hudbay Minerals

BELOW: media coverage about this lawsuit.

RIGHTS ACTION Comment:

The March 28, 2011, filing of this lawsuit against HudBay Minerals, by 11 Mayan Q'eqchi' women from the remote village of Lote 8, follows upon the December 1, 2010 lawsuit filed against HudBay for the killing (wrongful death) of Adolfo Ich.

<u>Klippensteins</u> is the law firm representing both the Lote 8 rape victims and Angelica Choc, widow of Adolfo Ich.

<u>Rights Action</u> is funding and working directly with Mayan-Q'eqchi' families and communities in the nickel-mining affected region of El Estor, Guatemala, including the families and communities involved in these two lawsuits.

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MORE INFORMATION/ QUESTIONS: Grahame Russell, info@rightsaction.org

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GUATEMALA GANG-RAPE LAWSUIT NAMES CANADIAN MINING COMPANY

By Bradley Bouzane, Postmedia NewsMarch 29, 2011 http://www.vancouversun.com/business/Guatemala+gang+rape+lawsuit+names+Canadian+mining+company/4523656/story.html

A group of Guatemalan women is seeking millions from a Canadian mining company after claiming they were assaulted and gang-raped by security and police forces near the company's operations in the Central American country.

The 11 women are seeking \$55 million in damages after claiming they were assaulted in January 2007 near an HMI Nickel site during armed evictions of local residents in El Estor, Guatemala. HMI Nickel is a subsidiary group of Toronto-based HudBay Minerals and both companies are named in the lawsuit.

The lawsuit alleges some of the attackers were wearing uniforms bearing the logo of HMI's Guatemalan subsidiary group.

A spokesman for HudBay, however, said the company did not have interests in that region in 2007 and strongly denies the claims. In a statement, the spokesman said they will "vigorously" defend against the women's claims. "HudBay and its subsidiaries are disturbed by the serious nature of the allegations, which run counter to our values and the manner in which we operate," John Vincic wrote Tuesday in an email to Postmedia News. "We will investigate the

allegations, but they are counter to all of the available information we have regarding the events of January 2007 and as such we intend to defend ourselves vigorously against them."

Vincic noted the date cited for the purported assaults "predate(s) HudBay Minerals' business interests and operations in Guatemala, and we are not aware that they have ever been reported to Guatemala law enforcement or other authorities."

HudBay and its subsidiary group acquired the Fenix nickel operation from another Canadian company — Skye Resources — in 2008.

The Toronto law firm representing the women said the close links between the groups is why HudBay is cited in the statement of claim. "That's part of the problem with corporations is they pass things around and they evade responsibility by doing so," said lawyer Cory Wanless. "The company that was involved is HMI Nickel. HudBay Minerals is now the owner of HMI Nickel. For business purposes, HudBay and HMI are the same . . . in the same office. We're saying that the legal liability is HMI Nickel's and also HudBay's because of that close relationship."

Wanless said the hefty amount of the lawsuit is not the focus for the women who claim they were assaulted. "For the women, this isn't about the money. It's about accountability, it's about truth and it's about justice . . . and the best option that was available to them was a civil suit in Canada. That's what you do in a civil suit — you ask for money. Money is the language that corporations understand."

The Toronto law firm is also representing the widow of a Guatemalan man who claims her husband was murdered by the head of the same security force at the centre of the women's allegations.

Wanless said Tuesday that a statement of claim in that case was filed with the Ontario Superior Court in December 2010, but he believes lawyers for the company intend to argue before the court that the matter should not be heard in Canada.

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HUDBAY TO INVESTIGATE GUATEMALA GANG-RAPE ALLEGATIONS

March 29, 2011

http://www.thestar.com/business/article/963436--hudbay-to-investigate-allegations-amidgang-rape-suit-in-guatemala

Canadian miner HudBay Minerals Inc. said Tuesday it will investigate allegations that security personnel, along with members of the police and military, attacked and gang-raped several women in 2007 during efforts to clear people from lands near a mining project in Guatemala.

However, the company said the accusations in a \$55-million lawsuit against the company and a subsidiary contradict available information and that it would defend itself "vigorously against them." "HudBay and its subsidiaries are disturbed by the serious nature of the allegations, which run counter to our values and the manner in which we operate," the company said in a statement. "We will investigate the allegations but they are counter to all of the available information we have regarding the events of January 2007 and as such we intend to defend ourselves vigorously against them."

A group of 11 women from Guatemala have sued the Canadian company and its subsidiaries in an Ontario court. They are seeking \$11 million in general damages and \$44 million in punitive damages for the alleged gang rapes in 2007.

The suit alleges the women were attacked by security personnel from Compania Guatemalteca de Niquel, along with members of the police and military who were forcibly removing families from a community near a mine.

The Guatemalan subsidiary, CGN, and its corporate parents are accused of negligence in the supervision of the security personnel and in a request for the forced evictions of the Mayan community of Lote Ocho. The allegations have yet to be proven in court.

At the time of the events, CGN's parent was HMI Nickel Inc. which was later acquired by HudBay Minerals Inc. The suit says HudBay is "vicariously liable" for its subsidiaries' actions.

"The alleged events predate HudBay Minerals' business interests and operations in Guatemala, and we are not aware that they have ever been reported to Guatemala law enforcement or other authorities," the company said. "Official government accounts indicate that substantial effort was made to keep the evictions non-violent and, in accordance with Guatemalan law, the evictions were carried out by unarmed police officers."

The suit alleges some attackers wore the uniforms of the Guatemalan subsidiary of HMI Nickel, formerly called Skye Resources. HudBay acquired Skye and its Fenix nickel project in Guatemala in August 2008, about 18 months after the alleged rapes occurred.

The lawsuit filed Monday is not the first in connection with the project in Guatemala.

Angelica Choc sued HMI and HudBay for negligence in an Ontario court over the 2009 death of her husband, Adolfo Ich Chaman. That case alleges he was beaten and shot by security forces at the mining project.

In addition to its operations in Guatemala, HudBay holds a variety of assets that include gold, zinc and copper mines, along with concentrators and metal production facilities. Its main mining operations are in northern Manitoba and Saskatchewan. It also owns a zinc oxide production facility in Ontario and a copper refinery in Michigan.

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WOMEN SEEK CLASS ACTION AGAINST CANADIAN MINER

By QMI AGENCY, March 28, 2011 http://www.torontosun.com/money/2011/03/28/17783596.html

A group of women have filed a class-action lawsuit against a Canadian-owned mining company over what they call "mining-related gang rapes" in Guatemala. Rosa Elbira Coc Ich and 10 other Mayan Q'eqchi' women filed the lawsuit against HMI Nickel and its corporate owner, HudBay Minerals, on Monday in Ontario.

The women allege they were gang raped on Jan. 17, 2007 near HMI's mine in El Estor by mine security personnel, police and military as part of an eviction operation. The allegations have not been proven in court.

A HudBay spokesman did not immediately return calls seeking comment. HMI ordered armed evictions of Mayan Q'eqchi' families from their farms and homes in relation to its Fenix mining project, according to a release issued by lawyers representing the women. The lawsuit, which has yet to receive class-action status, seeks \$11 million in general damages and \$44 million in punitive damages.

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HUDBAY FACES FRESH \$55M LAWSUIT FROM GUATEMALAN GROUP

By: Matthew Hill, 29th March 2011

http://www.miningweekly.com/article/hudbay-faces-fresh-55m-lawsuit-from-guatemalangroup-2011-03-29

TORONTO (miningweekly.com) – A group of 11 Guatemalan women on Monday filed a \$55-million lawsuit in Ontario against TSX-listed HudBay Minerals for alleged gang rapes by the company's security forces during evictions that took place during 2007.

HudBay said on Tuesday the lawsuit was "the first and only account of these shocking accusations" it had received, and that the allegations conflicted with the information the company had. HudBay would defend itself "vigorously" against them, the firm said.

The women, led by Rosa Elbira Coc Ich and represented by Toronto law firm Klippensteins, said they were gang raped by mining company security personnel, police and military during the eviction of Mayan Q'eqchi' families from their farms and homes in the Lote Ocho community.

The alleged events took place in the areas surrounding HudBay's Fenix nickel project, which it acquired through its purchase of Skye Resources in 2008.

In December, another Guatemalan, Angelica Choc, brought a C\$12-million lawsuit against HudBay in the Ontario Superior Court of Justice for the death of her husband in 2009, claiming the company's security guards at Fenix shot him dead.

Klippensteins is also representing Choc. In a statement, Klippensteins said none of its clients in Monday's lawsuit were aware that HMI Nickel, what was then called Skye, had taken "reasonable steps...to protect the community against the violence that was the predictable result". "Nine men came into my house and raped me. They were police, soldiers and security men from the company," said Coc.

HudBay spokesperson John Vincic said that while the company did not own the Fenix project at the time, "official government accounts indicate that substantial effort was made to keep the evictions non-violent, and in accordance with Guatemalan law the evictions were carried out by unarmed police officers."

"Since acquiring an interest in the Fenix nickel project in late 2008, HudBay and its subsidiaries have been committed to resolving the ongoing issue of illegal land occupations through peaceful and constructive dialogue," Vincic added.

Klippensteins said in a statement that the group of Guatemalan women approached a Canadian court, partly because of what it dubbed the "abysmal and hopeless track record" of Guatemala's court system.

HudBay CEO David Garofalo said earlier this month that the company was seeking partners to develop the Fenix project, for which it had concluded a feasibility study at the start of 2011.

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QUESTIONS & MORE INFORMATION:

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Rights Action, a not-for-profit organization with tax charitable status in the US and Canada, has worked for many years in the Maya Q'eqchi' mining-affected communities of the El Estor region, funding and supporting community development, environmental defense and human rights work.

To fund the families and communities involved in these efforts to seek justice, or to get involved in supporting their community development, environmental defense and indigenous rights projects, contact info@rightsaction.org.

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