

LETTER TO AURA MINERALS

Re: DEATH THREATS AT YOUR HONDURAS MINE SITE

December 12, 2011

Aura Minerals

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To Whom It May Concern:

Greetings. Below, you will find a recent media article, from Honduras, and a previous report that Rights Action prepared, in 2010.

This is disturbing information. Do you agree with, or disagree with the information, as set out in the November 2011 media report, and in our 2010 report?

Can you confirm that the people referred to in the November 2011 media report work for Minerale de Occidente (owned by Aura Minerals)? Can you confirm or deny the veracity of this report, that company officers working for Minerale de Occidente (owned by Aura Minerals), are engaging in threatening people?

As you are aware, there was a military coup in Honduras in June 2009, and the rule of law – that was weak and highly dysfunctional before the coup – has been dealt a devastating blow by the post-coup regime. There is little to no real chance to have these issues resolved legally in Honduras. Killings and other acts of repression have spiked in Honduras since the 2009 coup, and thus death threats and other threats of repression are extremely serious.

We look forward to hearing from you.

Thank-you.

Grahame Russell, Rights Action

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MINING REPRESENTATIVE THREATENS JOURNALISTS IN WESTERN HONDURAS

<http://clibrehonduras.com/main>, November 24, 2011

(Translated for Rights Action by Rosalind Gill)

Santa Rosa de Copan, Honduras. (C-Libre/conexihon). Three journalists from Multivisión Canal 32, Santa Rosa de Copán, in western Honduras, have received a series of verbal threats from a representative of the mining company, Minerales de Occidente [subsidiary of Canadian company Aura Minerals], after broaching the topic of mining exploitation in the area.

Danilo Osmaro Castellanos, a professional journalist, formally with Radio HRN and Radio Globo in Tegucigalpa and now Director of the Channel 32 news broadcast ATN: Honduras a Todo Noticias, as well as news anchors Carolina Hernández and Mauricio Arévalo, received voice and text messages containing intimidating remarks and threats that they will face serious problems if they continue raising mining-related issues.

C-Libre sources confirmed that the most serious threats to the journalists came directly from Wendy Guerra, a representative of Minerales de Occidente or Minerales San Andrés [Aura Minerals].

In one of the threats received by Carolina Hernández, the mining representative says she wants to have her and her ridiculous associates killed: "I am going to show you who I am, I don't need many threats to send someone to kill you, you people are just small change and I am going to personally ensure that your ATN news broadcast disappears."

Another threat, by telephone, warned them that if they continued raising mining-related issues they would see cancellation of a million Lempira project provided by the owner of Channel 32.

The spokesperson for Minerales de Occidente [Aura Minerals], who is, paradoxically, also the Director and anchor of a local television station, said in her call that the ATN broadcasters were half starved to death, and that, as a representative of the company, she was happy to see people asking her for money to get even a bite to eat.

The source also confirmed that, several days before the threats were made, the mining company, through Wendy Guerra and a third person, had offered a lucrative advertising contract to the Director of ATN, Danilo Osmaro Castellanos. The journalist duly refused the offer, on the grounds that it was tantamount to blackmail and censure. "The mining company is acting the same way with other broadcasters in the area - their publicity contracts get cancelled if they provide information on this irrational mining exploitation," said the source.

José Miguel Villeda, Legal and Institutional Relations Director for the mine, assured C-Libre that Wendy Guerra is not an employee of Minerales de Occidente [Aura Minerals]. "They have given her publicity contracts, as they have to many other journalists, but this does not mean that Wendy is employed by the mine."

However, the manager contradicted himself when he said that for several years now, the mining company has been paying Wendy for her professional services as master of ceremonies, logistics coordinator for events and that as well, the mine has used her programme for its media campaigns. But he added "it is not company policy to threaten people and Wendy cannot officially speak in the name of the company."

Our source confirmed that Wendy Guerra does indeed speak for the company when she offers help to communities she visits in the municipality of Santa Rosa de Copán.

When contacted by cell phone by C-Libre, Wendy Guerra denied accusations of making threats and she tried to appease her three colleagues. "I am the Director of the programme. The people can have their say on Channel 30 and this is the first time I have seen us involved in a situation like this."

She said she would send an email with a recording in which one of the broadcasters denies having received death threats from the company. She will also send a list of journalists and broadcasters who support her. We have now been waiting for seven days but as yet, have not received this information.

<http://clibrehonduras.com/main/noticias/representante-de-minera-amenaza-periodistas-en-el-occidente-de-honduras>

Links:

[1] <mailto:alertas@clibrehonduras.com>

[2] <http://www.clibrehonduras.com>

[3] <http://clibrehonduras.com/main/category/bolet%C3%ADn/alertas-y-noticias>

[4] <http://clibrehonduras.com/main/category/categorias/libertad-de-expresion/alertas>

September 10, 2010

MILITARY COUPS, MINING & CANADIAN INVOLVEMENT

By Karen Spring (with Grahame Russell), September 2010

Since the June 28, 2009, military coup in Honduras, Rights Action has supported and worked with the Honduran people's pro-democracy, anti-coup regime movement. This widespread people's movement is unique in Honduran history and is one more inspiring 'struggle of the Americas', as people work to end the impunity of and exploitation by minority elites, and to re-found their nations and societies by establishing real democracy and rule of law from below.

Since military ouster of the government of President Zelaya, and 15 months a widespread repression, we have also denounced how and why the governments of the USA and Canada have been the main supporters and backers of the coup itself and, since then, the post-coup regime of "President" Pepe Lobo.

A direct way of understanding why Canada has thrown democracy and human rights down the toilet is to view Honduras through the lens of Canadian mining interests.

C.E.O. OF AURA MINERALS Inc. VISITS HONDURAS WITH CANADIAN AMBASSADOR
In April 2010, Rights Action reported that the President of Aura Minerals Inc, Patrick Downey, and other mining and corporate investors accompanied Canadian Ambassador Neil Reeder on an official government visit to Honduras in February 2010, to 'encourage' the Honduran government to approve a new mining law that favours the interests of mining companies
(http://www.rightsaction.org/Alerts/Good_investment_040810.html).

Canada is proceeding with "business as usual" in Honduras, even as Canadian government officials and politicians receive – from Rights Action and many other groups

– a steady stream of reports on on-going State-sponsored repression in Honduras. Repression is being widely used to keep in place an undemocratic regime and an unjust economic model that favours global investors and corporate interests, such as the mining industry.

In August, Karen Spring visited the "San Andres Mine" in Honduras owned by Aura Minerals. Standing at the edge of a huge 250 meter-deep crater left behind by 3 Canadian mining companies, one gets a glimpse of the serious harms and destruction that the San Andres Mine has caused, and continues to cause in the municipality of La Unión, department of Santa Rosa de Copan, Honduras.



(All photos: Karen Spring)

Since the mid-1990s, the San Andres Mine has passed hands 3 times, from Greenstone Resources to Yamana Gold and finally to Aura Minerals Inc. in August 2009. The CPP (Canada Pension Plan) is an investor in both Yamana Gold and Aura Minerals (http://www.cppib.ca/files/PDF/q4_10_cdn_re_holdings.pdf).

The mining-harmed communities of the La Union municipality claim that along with selling the mine from one company to another, the companies pass the problems along that they created, in order to avoid being held criminally and/or civilly accountable.

Harms and violations documented over the years include: environmental contamination from cyanide spills and related health harms, forced relocations, unfulfilled promises to the communities, disappearing villages and on-going social tensions between community members.

GHOST VILLAGES

In the region around the mine, four communities are directly affected by Aura Minerals operations.



The property line of the community of San Miguel lies 125 meters from the sprinklers that spray cyanide solution onto the rock. Less than 125 metres from San Miguel homes, a sprinkler system sprays cyanide solution over crushed rock, the leaching process by which the gold is separated from the rock.

Although roughly 40 houses are still inhabited in San Miguel, the community looks like a ghost town where several run-down and destroyed houses show the slow disappearance of a once fully inhabited community.



It is believed that instead of relocating and compensating the people of San Miguel, first Greenstone Resources, then Yamana Gold decided to slowly buy the houses forcing the people to relocate, in hopes of saving money.

DESTROYING MEMORIES AND HISTORY

The members of the community of San Andres that were relocated by Greenstone Resources in 1994 are still awaiting land settlements and compensation that was promised to them as a condition of their relocation. Their legitimate claims continue to be pushed aside by Aura Minerals.

During the relocation from the 'Old' San Andres to the 'New' San Andres, the community was forced to leave behind their deceased love ones in a cemetery that is still being used by the nearby community of Azacualpa.

This cemetery, the resting place of hundreds of years of family and community history, is now under threat by Aura Minerals that wants to destroy the cemetery in order to access the gold and silver buried in the mountain where the community's family and loved ones are laid to rest.



When visiting the cemetery with community members from the 'New' San Andres, one elderly woman pointed to an unmarked spot on the ground and told me that her grandson was buried there. She also mentioned that people still visit their loved ones there frequently, which was obvious from the presence of fresh flowers on some of the gravesites.

Reports from the same community say that the company has already entered the cemetery to remove gravestones and markers, which act as a hindrance to the company's desire to expand.

CONTAMINATION REMINISCENT OF GOLDCORP'S MINE

The San Andres mine consists of 5 cyanide treatment ponds and one so-called "overflow" pond. It is obvious what is held in these treatment ponds as one gets close and unwillingly sucks in the smell of strong toxic chemicals or cyanide solution used to separate the gold from the rock.



All 6 ponds are dangerously located by the banks of the Lara River which runs into the larger Higuito River that provides water for the city of Santa Rosa de Copan, some 47 kilometers from the mining operations.

Similar to Goldcorp's practices at the "San Martin" mine in Siria Valley, pipes submerged in the cyanide solution run from the pond, under the dirt road that separates them and appear on the downhill banks leading to the Lara River. But their on-going discharges into the river are not the only chemical dumping that occurs.

On two occasions, cyanide spills have occurred in the San Andres Mine. One in January 2003, under Greenstone Resources and second in March 2009, months before Yamana Gold sold their operation to Aura Minerals Inc.

In both spills, community members found thousands of dead fish, killed from the toxic chemicals which will remain in the water and land years after the mine shuts down.

A CANADIAN PROBLEM

Given the utter lack of democracy and rule of law in Honduras and the widespread repression and corruption, it is not surprising that communities harmed by mining – Aura Mineral's San Andres mine, Goldcorp's San Martin mine – have no recourse in their own country, beyond very risky community organizing, education and denunciation work that Rights Action, and other international solidarity and human rights groups, are doing our best to support.

Yet, if pressure is not brought to bear in Canada on government policy makers, investors (such as the CPP), and company shareholders, then Canadian mining companies will continue to operate their profitable and harmful mines with impunity.

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Rights Action is a not-for-profit organization with tax charitable status in the USA and Canada. Since 1995, Rights Action has been funding and working to eliminate poverty and the underlying causes of poverty. Rights Action funds and works with community-based development, environmental, disaster relief and human rights projects and organizations in Guatemala and Honduras, as well as in Chiapas [Mexico], El Salvador and Haiti. Rights Action educates about and is involved in other work aimed at critically understanding unjust north-south relations and global development, environmental and human rights issues and the challenges of poverty eradication.

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