

June 14, 2012

HUSBAY MUST ACCOUNT FOR LEGACY OF DAMAGE, INJURY, DEATH AND ON-GOING SUFFERING IN GUATEMALA

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TO: Hudbay directors, board members, investors and shareholders,

Greetings to you all, as you meet in Toronto at Hudbay's annual shareholder meeting on June 14, to assess Hudbay's financial performance. From Hudbay's home page, one reads:

"Hudbay is committed to producing strong [investor](#) returns and creating better futures for [communities](#) and [employees](#) by finding, [building](#) and operating successful mines." (<http://www.hudsonbayminerals.com/>)

Hudbay did not "create better futures for [communities](#)" in Guatemala. Rather, Hudbay left a legacy of damage, injury, death and on-going suffering in Guatemala that have not been addressed or remedied.

We call on Hudbay directors, members of the board, shareholders and investors to initiate a transparent and public process to provide full reparations to indigenous Mayan Qeqchi families and communities harmed directly and indirectly by Hudbay's (and Skye Resources) nickel mining attempts, 2004-2011.

TIMELINE - ILLEGAL EVICTIONS, VIOLENCE AND DESTRUCTION

From 2004-2008, Skye Resources attempted to revive the nickel mining operation that INCO (International Nickel Company) initiated in the 1960s, and briefly operated in the late 70s, early 80s.

In 1999, the United Nations "Truth Commission" in Guatemala determined that INCO – in partnership with the Guatemalan military – committed very serious human rights violations against the local Mayan Qeqchi population. INCO was never held accountable, anywhere, for the harms and damages it caused. The victims of those abuses received no justice or remedy for their harms and violations.

Now, over 30 years later, some of today's victims of illegal, forced "evictions" (burning entire villages to the ground) and other acts of repression are the children of the INCO caused repression 30 years ago.

In 2008, Hudbay purchased Skye Resources. Between them, Hudbay and Skye (via their Guatemalan subsidiary company CGN – Guatemalan Nickel Company) were directly and indirectly involved with illegal "evictions" (burnings of entire villages), and

with acts of violence and repression that resulted in the death of a well-known community leader and teacher (Adolfo Ich), in the wounding of many, and in the gang rape of 11 women in the remote village of Lote 8.

GRATUITOUS “EVICTIONS”, DESTRUCTION AND BRUTALITY

The following villages were “evicted” (destroyed and burned to the ground in whole or in part) in 2006-2007: Comunidad la Revolucion; Comunidad Quebrada Seca la Paz; Comunidad Chacpayla Lote 8; Comunidad Las Nubes Lote 16; Barrio la Union (El Estor); Barrio el Chupon (El Estor); Comunidad Agua Caliente Lote 9.

Some of these villages were “evicted” as many as 3 times. In one village, Lote 8, 11 women were gang-raped by private security guards in the hire of Skye (via CGN), and Guatemalan soldiers and police.

In each of these “evictions”, the villagers – indigenous Mayan Qeqchi people living in this region for generations, if not hundreds of years before INCO arrived in the 1960s – returned to their lands and re-built their small huts from scratch. They live today on these lands. They are still referred to as “illegal squatters”.

To add insult to injury, most of the communities “evicted” are located on the lowlands, by Lake Izabal, where there are no nickel ore deposits. The nickel ore is found in the mountain range along the north side of Lake Izabal. Not only did Skye have no legal justification to carry out these “evictions” (burnings and destruction), but also they had no mining reason to burn and destroy the villages on the lowlands.

On September 27, 2009, private security guards, in the hire of HudBay (via its Guatemalan subsidiary) opened fire and used other violence against local villagers. One man – Adolfo Ich, a widely known and respected community leader and local teacher – was the victim of a targeted killing, and more villagers were wounded: Haroldo Cucul, barrio La Union; German Chub Choc, barrio La Union; Alejandro Acte, comunidad Las Nubes; Ricardo Acte, comunidad Las Nubes; Samuel Coc, comunidad Las Nubes; Alfredo Tzi, barrio El Chupon; Luciano Ical, barrio El Chupon; Santos Caal Beb, barrio La Union.

The suffering of some of these victims continues today, particularly that of German Chub, now paralyzed from the chest down, wheel-chair bound, a bullet still lodged dangerously close to his spine, and suffering on-going health complications. (Victim of a crime, German has received no formal compensation whatsoever. With funds from caring North American donors, Rights Action is regularly channeling emergency relief, humanitarian funds, just to help keep German barely healthy, and surviving. He is not remotely close to having his life-long health and economic survival needs resolved.)

LAWSUITS IN CANADA

Civil suits have been filed against Hudbay in Canada for: the death of Adolfo Ich, the gang rape of 11 women in Lote 8, and the shooting-paralyzing of German Chub. Rights Action is supporting the victims’ right to have justice done in Canada, knowing that all the major corporate decisions were taken in Canada and that there is no chance whatsoever of justice in Guatemalan courts.

Yet, the destruction, injuries and suffering go beyond these cases.

AN END TO DENIAL AND IMPUNITY

It is time for Hudbay directors, members of the board, shareholders and investors to stop denying what happened in Guatemala, to stop hiding behind the wall of impunity constructed by the governments of Canada and Guatemala, and do the right thing.

The Mayan Qeqchi people and communities of the nickel mining region deserve a complete and public acknowledgement of what they have suffered and they need and deserve to be compensated and remedied for all they have suffered and that was destroyed.

Maria Cuc Choc, Angelica Choc, Raul Caal Coc ... of the
El Estor Committee in Defense of Mayan Qeqchi Communities and Rights

Grahame Russell (and Annie Bird) ... of the
Canadian Rights Action Foundation

(Grahame Russell is a non-practicing Canadian lawyer, author, Adjunct Professor at the University of Northern British Columbia and, since 1995, co-director of Rights Action (USA), along with Annie Bird, and director of the Canadian Rights Action Foundation.

BACKGROUND INFORMATION

(film) “DEFENSORA”

June 2012, 5 minute trailer: <http://www.indiegogo.com/defensora>

“Defensora” documents the Mayan Q'eqchi people's struggle, in eastern Guatemala, to reclaim their ancestral lands, and find justice for the murder, shootings and rapes committed against them by a Canadian mining company and its subsidiary in Guatemala.

(article) “GOING DEEPER UNDERGROUND”

Corporate Knights, September 27, 2011

<http://www.corporateknights.com/article/going-deeper-underground>

In Guatemala, victims of human rights abuses involving Canadian mining companies are left to pick up the pieces. At home in Canada, company lawyers skirt around questions of accountability, and justice ultimately falls through the cracks.

(film) “TESTIMONY OF ROSA ELBIRA”, an indigenous Qeqchi woman and gang rape survivor

September 2011 (5 minutes): <http://www.youtube.com/watch?v=dSGuDk4cnz4>

In January 2007, soldiers, police and private security (hired by Canadian mining company HudBay Minerals' subsidiary CGN) burnt the entire village of Lote 8, and gang-raped 11 women.

(radio) “UNFINISHED BUSINESS: CANADIAN NICKEL MINING COMPANIES OPERATING IN GUATEMALA”

CBC Radio's The Sunday Edition, September 25, 2011, (50 minutes)

<http://www.cbc.ca/video/news/audioplayer.html?clipid=2141604355>

“[The September 2011 Presidential election in Guatemala] was dubbed the oligarchs versus the narco-traffickers. In the weeks leading up to the vote, armored car sales went up by 70%. Candidates were gunned down; more than 40 people were killed; and no one was particularly surprised. This is the background against which Canadian mining companies have been conducting business in Guatemala for the past 50 years, right through the 36 year long civil war - a war that killed [and disappeared over 250,000] people - most of them indigenous Mayans. For the most part, today's violence revolves around the drug cartels and the mines.”

(Michael Enright, host of The Sunday Edition)

“Unfinished Business” includes discussion with Rights Action co-director Grahame Russell, and visits with the mining harmed, Mayan-Qeqchi communities of eastern Guatemala. Canadian mining companies have been conducting business in Guatemala for the past 50 years, right through the 36 year long civil conflict and a campaign of military repression that killed and disappeared over two hundred and fifty thousand people, most of them indigenous Mayans. Now, mining harmed communities are fighting back in a new way. Guatemalans are launching lawsuits in Canadian courts against Canadian mining companies. The latest are 3 claims against Hudbay Minerals [filed by Klippensteins Barristers and Solicitors]: one filed by 11 Mayan women allegedly raped when they were cleared off the land 4 years ago, a second filed by the wife of a community leader and local teacher who was shot and killed, and a third by a young man left paralyzed from the chest down after being shot.

WHAT TO DO?

We ask North Americans – particularly Canadians, in this case – to send your own letters, with copies of this information, to Hudbay Minerals, to your elected Members of Parliament, to your own Pension Fund, to the Canada Pension Fund, and to your local media – demanding that Hudbay be held to account for all that went wrong in their Guatemala mining operation, and to pay full reparations for the harms and suffering caused.

Please make TAX-DEDUCTIBLE DONATIONS (USA & Canada)

for very under-funded and courageous community-based organizations in Guatemala (and Honduras) working and struggling for community controlled development, defense of the environment, justice and human rights, and resisting the harms and violations caused by global (mainly Canadian) mining companies. Make check to "Rights Action" and mail to:

UNITED STATES: Box 50887, Washington DC, 20091-0887

CANADA: 552 - 351 Queen St. E, Toronto ON, M5A-1T8

CREDIT-CARD DONATIONS can be made (anonymously): www.rightsaction.org

In Canada: <https://www.canadahelps.org/DonationDetails.aspx?cookieCheck=true>

In USA: <https://npo.networkforgood.org/Donate/Donate.aspx?npoSubscriptionId=488>

DONATIONS OF STOCK can be made (anonymously): info@rightsaction.org

INFORMACION (en espanol) - El Estor Committee in Defense of Mayan Qeqchi Communities and Rights

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