

August 21, 2013

HudBay Minerals Inc.
Dundee Place, Suite 2501, 1 Adelaide Street East,
Toronto, ON, M5C 2V9, Canada

Compania Guatemalteca De Niquel
Ave. Reforma 9-55, zona 10,
Edificio Reforma 10, 6to nivel, oficina 603,
Guatemala City, Guatemala

To whom it may concern:

I write concerning threats and intimidations being directed at impoverished, illiterate Maya Qeqchi women in the isolated mountaintop village of Lote 8, municipality of El Estor, department of Izabal, Guatemala. These pressures - orchestrated by and on behalf of the Guatemalan Nickel Company (CGN) - aim to pressure or coerce the women to withdraw from 3 over-lapping civil suits in Canada against Hudbay Minerals, HMI Nickel and CGN itself.

The women of Lote 8 being targeted are co-plaintiffs in one of 3 lawsuits filed in Canadian courts against the Canadian company Hudbay Minerals and its subsidiary HMI Nickel Inc. and against CGN that was formerly owned by Hudbay Minerals. The lawsuits are related to: the January 17, 2007 gang-rape of 11 women in Lote 8; the September 27, 2009 killing of community leader Adolfo Ich; the September 27, 2009 shooting-paralyzing of villager German Chub.

Since 1995, I have been co-director of Rights Action (USA), a small not-for-profit organization that funds community development, environmental protection, emergency relief and human rights projects in Honduras and Guatemala. Since 1998, I have been director of Rights Action (Canada) that works closely with Rights Action (USA). Since the early 2000s, Rights Action has been working in the El Estor region. After mining related forced evictions and repression began again in the El Estor region in 2005, the people and organizations we work with began seeking emergency relief and human rights support.

Though not party to the lawsuits, Rights Action supports the Qeqchi people's rights to truth, justice and remedy in Guatemalan courts, international for a and Canadian courts. This work is part of our over-all work helping strengthen the institutions of democracy and the rule of law. We believe in and support the plaintiff's right to a fair trial, justice and remedy.

Renewed Threats And Intimidation

Over the past month, we have received reports from Guatemala concerning renewed threats and intimidations. In summary, CGN employees are apparently providing small amounts of money to certain men in the Lote 8 community - some are community leaders, some are husbands of the women-plaintiffs; all are very poor; all or most of them are illiterate; all or most of them speak limited Spanish as their second language.

Both via these Lote 8 men, and directly in meetings in CGN buildings, CGN is "offering" - with not so veiled threats if the "offers" are not accepted - amounts money (variously from q100,000 up to q2,000,000) and secure land title (to their own property in Lote 8!), in exchange for the women dropping their lawsuit in Canada. At this point, certain women-plaintiffs are being directly targeted, pressuring them to "convince" the other women-plaintiffs that they all drop their lawsuit.

Similar pressures have been directed, in the past, against the other plaintiffs - German Chub and most particularly Angelica Choc - in their home communities of La Union and El Estor. The pressures are always based on the spreading of lies to create animosities, distrust and divisions between community members, neighbors and even family members.

The rumours and distortions initiated by CGN employees include false statements that some of the Lote 8 women have already received money (as much as q2,000,000 quetzales) for their participation in the lawsuits, and that they are not sharing the money with the other women. The spreading of these lies, particularly amongst deeply and historically impoverished people, creates confusion, distrust and division amongst the women, their families and community members.

The July 22, 2013 Court Ruling

This most recent wave of threats and intimidations spiked after the July 22, 2013 publication of the decision of the Superior Court of Justice-Ontario (Choc v. Hudbay Minerals Inc., 2013 ONSC 1414) that determined, amongst other issues, that the 3 lawsuits can proceed in Canadian courts, that Hudbay can be held to account for the harms suffered by the plaintiffs, and that the cases can proceed against CGN in the Canadian courts, not only as a former subsidiary of Hudbay, but also in its own right as a Guatemalan company.

Both Hudbay and CGN know that none of the plaintiffs have received any funds at all from the lawsuits. There has not yet even been a trial on the merits of the issues at hand! The July 22, 2013 ruling of the Superior Court of Justice dealt with pre-trial issues, confirming only that the plaintiffs have the right to go to trial. If a trial proceeds, it could take years to resolve, and there is no way of knowing, at this point, whether the plaintiffs or defendants would win at trial.

Risk Of Violence And Death

Not only are lies being spread concerning some of the women receiving money from the lawsuits and not sharing it, but some attacks are even more vicious. In the case of one of the women-plaintiffs, a victim of the January 2007 gang-rapes who suffered a miscarriage, in public meetings CGN personnel have stated openly that this is not true, and were it true, that woman should take them to show them where the fetus was buried. In another meeting in CGN buildings, one of the woman-plaintiffs fainted due to the pressures being exerted against her by the men gathered there.

The threats and intimidations that the women are receiving, directly in their homes and community as well as in meetings in CGN buildings (in El Estor), are illegal attempts to

undermine the lawsuits in Canada, and furthermore, are dangerous and could lead to more violence and repression in the community of Lote 8, including death.

It is important to point out that while CGN is a defendant in two of lawsuits in Canada, and may have to defend itself in court, CGN is not a defendant in the case of the gang-rape of the 11 women from Lote 8. Thus, CGN is, in effect, illegally and dangerously pressuring the Lote 8 women to drop their suits against Hudbay Minerals and HMI.

Action Needed

Rights Action calls on Hudbay Minerals and CGN to take every step necessary to ensure that none of their company personnel - whether employees or contracted workers - participate in these actions, that can only result in more harm and possibly death. Rights Action also asks that Hudbay and CGN state publicly that they will do everything necessary to respect the rule of law and including the plaintiffs' and defendants' rights to a fair trial.

Rights Action calls on the government of Guatemala to ensure that these threats and intimidations are investigated to the full extent of the law, and that measures are taken to protect the rights and physical well-being of the women-plaintiffs.

Rights Action calls on the government of Canada, via its embassy in Guatemala, to make a public statement in support of the rule of law in Canada, and that the plaintiffs' and defendants' rights to a fair trial must be respected and protected.

Sincerely,

Grahame Russell, director Rights Action (Canada)
(Box 552) 351 Queen St. E.
Toronto, ON, M5A-1T8, Canada
info@rightsaction.org

cel: [860-751-4285](tel:860-751-4285)

Copies to: Media, Canadian & Guatemala government officials, Investors, Inter-American Commission of Human Rights.