KCA (Kappes, Cassiday & Associates) Must Obey Law & Suspend Mining Operation

Letter to KCA by Alex Pedersen & Grahame Russell

Mr. Dan Kappes, CEO dkappes@kcareno.com Kappes, Cassidy & Associates 7950 Security Circle Reno, NV, 89506, USA (775) 972-7575

Mr. Kappes,

Cc: Office of the President of Guatemala (<u>infopublica.scspr@gmail.com</u>); Canadian Embassy in Guatemala (<u>gtmla@international.gc.ca</u>); United States Embassy in Guatemala (<u>AmCitsGuatemala@state.gov</u>); Office of the Extractive Sector Corporate Social Responsibility (CSR) Councillor (<u>csr-counsellor@international.gc.ca</u>); Radius Gold (<u>info@radiusgold.com</u>); Rights Action (info@rightsaction.org); MiningWatch Canada (<u>info@miningwatch.ca</u>); Guatemalan Human Rights Commission - USA (<u>ghrc-usa@ghrc-usa.org</u>); NISGUA (<u>info@nisgua.org</u>); Office of the United Nations Human Rights Commissioner (<u>informacion@ohchr.org.gt</u>)

On July 15, 2015, a Guatemalan appeals court ruled in favour of residents of San Pedro Ayampuc and San José del Gulfo to be properly consulted about projects that affect them. Your mine, El Tambor, was ordered to suspend all construction and mining activities. However, your company and its Guatemalan subsidiary, EXMINGUA, continue to operate against the rule of law.

On January 5, 2016, officials of the Municipality of San Pedro Ayampuc, with the accompaniment of the National Civil Police of Guatemala, lawyers, media and human rights officials, went to implement the injunction. Your company was ordered to halt all construction and work related to the project Progress VII Derivative (El Tambor). The mine is required to stop all activities until proper consultation takes place.

Despite these legally binding decisions made by Guatemalan courts, your company and subsidiary continue to disobey this order and continue to violate the rights of Guatemalan people. Overnight, the Deputy Commissioner of the National Civil Police, without warrant or liaison with the courts, reopened the mine's entrance. This is an illegal and unconstitutional act by the Deputy Commissioner on behalf of your company and subsidiary. The people of San Pedro Ayampuc and San José del Golfo have maintained a dignified resistance against your mining project since it's exploitation license was illegally granted in 2012. For nearly 4 years, the resistance effort known as La Puya has peacefully requested that you respect their rights to proper consultation and remove your mining equipment until you adhere to international and national laws and regulations. The communities were never properly consulted and the Environmental Impact Assessment (EIA) for the project has innumerable flaws that have never been addressed.

Community members are most concerned about the project's use and abuse of local water sources, the impact on their livelihoods and the damage that mining causes to the environment and local health. The communities have asked your company to leave, yet you continue to violate their rights as citizens and Guatemala's constitution by oftentimes violently pushing the mine forward.

Until the communities of these two municipalities are properly consulted and respected, your company must withdraw from Guatemala. Severe social and economic damage has already been caused by your company's actions, for which you are responsible. Further action by your company will only worsen the social, economic and environmental violence that community members have voiced concern over.

As you are well aware, your mine has been the centre of controversy in a country where violence is regularly directed towards human, Indigenous and environmental rights defenders. A clear example of this includes the June 13, 2012 shooting and assassination attempt against a local woman, Yolanda Oquelí Veliz, who openly and peacefully requested your company leave the community when the mine was majority owned by Radius Gold Inc. (Canada). By operating without social and legal license, Kappes Cassidy & Associates' presence exacerbates violence in the region and endangers the lives of men and women who oppose your company's vision of economic 'development.'

In short, your actions are a violent and illegal effort to gain profit for yourself and your investors at the cost of Guatemalan lives and livelihoods. Mr. Kappes, we demand that you respect the rule of law in Guatemala and the rights of the citizenry. Your company must suspend all mining activities and operations and leave Guatemala.

Alexandra Pedersen PhD Candidate, Queen's University <u>a.pedersen@queensu.ca</u>

Grahame Russell Rights Action director grahame@rightsaction.org

Tax-Deductible Donations (Canada & United States)

To support the "La Puya" peaceful community and environmental defense movement, make check payable to "Rights Action" and mail to:

• <u>U.S.:</u> Box 50887, Washington DC, 20091-0887

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