

August 31, 2009

GUATEMALA - "FLAMES ON THE FIRE" GOLDCORP Inc. ACCUSES CATHOLIC PRIEST OF INSTIGATING VIOLENCE & COMMUNITY DIVISIONS

A Catholic priest responds to accusations, made by Goldcorp Inc., that the priest is causing divisions and inciting Mayan Mam villagers to violence

BELOW:

- **COMMENTS:** by Rights Action about accusations against local priest
- **LETTER:** by the priest to Goldcorp Inc.

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RIGHTS ACTION COMMENTARY - FLAMES ON THE FIRE:

Father Erik Gruloos is a Belgium man by birth. Since 1985, he has been the Catholic Priest of San Miguel Ixtahuacán (SMI), San Marcos, Guatemala.

Since the late 1990s, and particularly since 2005, Father Erik has witnessed the negative transformation of community life and the environment (water sources, air, forests and earth) in the Mayan Mam municipality of SMI, resulting from the operation of Goldcorp Inc's open-pit, cyanide leach mine – the "Marlin Mine".

Recently, Goldcorp – via its wholly owned subsidiary "Montana Exploradora" – has engaged in a divisive and harmful campaign to denounce and slander Father Erik and the role of the Catholic Church in SMI.

On various occasions, Goldcorp has directly and indirectly mentioned Father Erik Gruloos' name in meetings. They claim Father Erik is causing social division, inciting violence and disturbing the peace in SMI:

On June 18, 2009, some human rights and solidarity NGOs met with Charles Jeannes (President and CEO of Goldcorp), Tim Miller (Vice President, Central and South America); David Deisley (Vice President and General Council), and Dina Aloï (Vice President, Corporate Social Responsibility). During that meeting, Goldcorp officials accused Father Erik of having transported people to the village of Sacmuj, where two Goldcorp (Montana Exploradora) vehicles were burned, and that he led a group of farmers who threw rocks and sticks at employees, and that four of the people with Father Erik were armed with pistols.

On June 24, 2009, a letter written by Dina Aloï (Goldcorp Vice President, CSR) to Rights Action, Padre Erik and ADISMI (Association for Integral Development, San Miguel Ixtahuacán), states: "on June 11, 2009, a large number of local people, accompanied by the local Catholic priest and a nun, illegally entered the property. Certain of these trespassers were armed with sticks, rocks, and some pistols, and threatened and threw rocks at the company's employees."

On July 28, 2009, Dina Aloï (Vice President, CSR) in a meeting with a Canadian citizen said that "The priest, Father Erik, lead the demonstration in San Miguel, and they had

pistols, machetes and rocks, and a vehicle was burned [...] I really don't understand the Catholic church and why they are creating so much tension, that's pitting people against people. They are causing so much division in the communities, conflict between municipalities. People are frightened."

FLAMES ON THE FIRE

In an already tense situation, Goldcorp is acting in what seems to be a calculated and harmful way, publicly making accusations against Father Erik and members of the Catholic church. As it continues to make enormous profits (mostly flowing to company officials and North American shareholders and investors), Goldcorp is contributing to local harms and divisions, increasing the possibilities of violence.

These accusations are not being made in a vacuum; they are being made in Guatemala that has a long history of State repression and impunity. One of the most devastating legacies of Guatemala's decades of State terrorism and repression (in the 1970s, 80s and early 90s) are the destruction of the "social fabric" and community breakdown and divisions.

Goldcorp knows of this history of repression, that amounted to genocide in certain Mayan regions of the country, and should be aware of the community divisions and potential violence its accusations against Father Erik Gruloos will lead to.

WHAT TO DO: see at bottom. At a bare minimum, Goldcorp should publish a public letter in Spanish and English, apologizing for making these false and potentially very harmful statements.

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Please re-distribute this information all around

To get on/ off Rights Action's email list:

<http://www.rightsaction.org/lists/?p=subscribe&id=3/>

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LETTER FROM FATHER ERIK GRULOOS TO GOLDCORP Inc.

(Translated for Rights Action by Marie Manrique, mariejmanrique@yahoo.com)

August 20, 2009

I am very concerned about what is happening in San Miguel Ixtahuacán with the gold mine. This situation has forced me to speak out since the San Miguel parish and my name are always mentioned as being responsible for the current state of affairs.

I am very concerned about the tension in San Miguel Ixtahuacán due to the Montana Exploradora mine.

I have lived here for twenty-four years. This has always been a peaceful town.

From the start , there have been groups that have expressed their concerns about gold extraction in our healthy and pleasant environment. During the time that the Montana company has been working, more doubts, questions, and concerns have arisen.

These groups have always been rejected and treated as if they were ignorant, and other adjectives, that bring back memories of past conflicts.

In recent weeks, the situation has become more tense due to the success of the community consultations held in the rural communities which reject mining and due to the small peasant farmers' (campesinos) resistance in defense of their water and lands.

In May 2009, a small group of peasant farmers (campesinos) did not want perforations to be made near their land and water wells; they live in these areas with their families and animals. At that time, I was in Belgium spending a few days with my family.

After a few weeks of abandoning the perforation work, it was restarted. I was told that these perforations were going to be detrimental to these families. For this reason, we went out in search of further information. As the parish priest, I went since I had to be knowledgeable about the situation.

A small group of us went to go see the perforations. We wanted to get closer to the workers who were there working so we could make them aware of the campesinos' needs. The company interpreted this as inciting violence which included the destruction of a car and perforation machinery the following day. None of us carried weapons or had any intentions of doing damage.

The company used this situation to start a defamation campaign against the parish, catechists, nuns, and me as the parish priest, as well as other people who care about the environment.

For this reason, the company's directorate organized a "peace march" with approximately 1,400 people according to the company's count. They marched from the hill to the town center passing by the Church of the Calvary and ending this silent march at the parish church. The participants wore white, carrying a rose, and many also held white candles. They carried signs that asked why we were inciting violence. Some used offensive words against catechists, nuns and me the priest.

No one from the company approached us to ask what had happened or solicited our reasons for our position. From that moment forward, the company has not stopped fomenting attitudes in its workers' to reject the parish.

At this time, awareness-raising activities about the mine's negative effects and the requests for community consultations have continued. The municipal authorities criticized us stating that we were committing illegal actions, which is not true since Guatemalan laws permit conducting these consultations.

The authorities suddenly changed strategy and agreed to support a consultation at the municipal level. At the same time, the company began a public relations campaign of a magnitude and aggressiveness previously unknown.

The company representatives tried to enter in the communities with the promise of highly-funded projects. Although in recent years, these communities were not attended to because they were located far from the company, now the company arrived to offer them enormous sums of money as if it were an election campaign.

The company sponsored parties with marimba music and food that reminded us of campaigns from centuries ago. The parties with food weren't so benign since the assistants were asked to sign and leave their finger print. Even the children were asked to leave their fingerprint to receive a bag of candy!

These practices provoked enormous divisions in the communities and in the families and churches. For some poor people, it is not easy to resist taking this money that is difficult to obtain in other manners. These divisions cause a lot of damage.

As we have continually repeated, we do not want a confrontation between workers and those of us who want a healthy environment. We understand that they want to earn a good wage, but it is necessary that they understand the dangers that gold mining represents for the communities of today and tomorrow.

If this confrontation is not managed well, one day it could explode.

From the start, the company has painted everything as positive. The company has not wanted, and also has denied, the negative effects of mining. They want to eradicate an awakening environmental consciousness.

We are worried about the enormous quantity of cyanide that is used to obtain the gold. We are worried about the quantity of water used by the company and that will diminish the region's water levels in an area where many families do not have sufficient water.

We are even more worried about the lagoon that has been formed with the cyanide-containing drainage water without protection on the soil. What danger do these residues represent for future generations? Why isn't there transparency in the water controls?

In the short and long- term, what type of water contamination occurs due to the acid drainage provoked by rock movement?

Why is there so much secrecy and denial about the people who worked in the company and died of suspicious illnesses and about the other sick workers? Why are people manipulated under the accusation that we are telling lies?

The expensive public relations propaganda in the media makes no mention of mining's negative effects. Community development is much more than isolated public relations projects.

We confirm that the people here have never been consulted, understanding the consultation to express agreement or disagreement. If a favorable climate to the company existed in the beginning, it no longer exists.

In this region, people always "ask permission" to enter a house or to start work.

As a parish, we have the right and duty to raise awareness about the protection of this beautiful land. The phrase "Our Mother Earth" is stated with respect in this region. We are not the owners of the earth, but rather its administrators. We have to be accountable to future generations.

We thank you very much for your attention to this letter and we hope that the lies which are stated about the role of the San Miguel Ixtahuacán parish in the gold mine will cease.

Erik Gruloos, parish priest, San Miguel Ixtahuacan

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WHAT TO DO

Please write to Goldcorp Inc, with copies to your own politicians and media, asking Goldcorp to write a public letter, in Spanish and English, retracting all statements and inferences the company has made to the Catholic church, in general, and Father Erik Gruloos in particular, instigating violence and divisions.

Also send copies of your letters to the Canadian government offices, listed below, and to the CPP (Canadian Pension Plan), a major investor in Goldcorp Inc. If you know that your Pension fund is invested in Goldcorp, then send copies to them as well, asking that they write Goldcorp directly.

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CANADIAN GOVERNMENT OFFICIALS

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FOR MORE INFORMATION about and/or how to get involved in efforts in the USA and Canada, to hold Goldcorp Inc, investors in Goldcorp (like the Canada Pension Plan, and numerous pension funds across North America) and other global companies and investors accountable for the harms and violations caused by their companies:

info@rightsaction.org, www.rightsaction.org

TO DONATE FUNDS to indigenous and campesino groups resisting the harms and violations of mining &, hydro-electric dams, make tax deductible donations 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: <http://rightsaction.org/contributions.htm>

Upon request, Rights Action can provide a proposal of which community organizations resisting the harms and violations caused by mining in Guatemala and Honduras we are working with and channeling your funds to.