Highlights of 2016

International campaigns – Calling for stronger accountability of Canadian mining overseas

Canada Needs a Human Rights Ombudsperson for the Extractive Sector

An independent, transparent, credible Ombudsperson office is long overdue to help the Canadian government fulfill its obligations to remedy human rights abuses and prevent future harm caused by Canadian extractive companies operating internationally.

MiningWatch has worked closely with the Canadian Network on Corporate Accountability (CNCA) to develop and promote model legislation for an extractive-sector ombudsperson.

Courting Justice in British Columbia for Violence at Tahoe Resources’ Mine in Guatemala

We have continued to collaborate with the Coalition Against Unjust Mining in Guatemala (CAMIGUA) and partners in Guatemala to support communications and solidarity with the plaintiffs in a civil lawsuit against Tahoe Resources over the company’s role in a violent attack in April 2013 at its Escobal silver mine.

In a precedent-setting ruling, the B.C. Court of Appeal overturned a lower court decision that had denied Canadian jurisdiction for the suit, finding that “there is some measurable risk that the appellants will encounter difficulty in receiving a fair trial against a powerful international company whose mining interests in Guatemala align with the political interests of the Guatemalan state. This factor points away from Guatemala as the more appropriate forum.”

A Poor Answer: Barrick Gold’s Grievance Mechanism at North Mara Gold Mine, Tanzania

MiningWatch and UK-based Rights and Accountability in Development (RAID) have engaged in extensive exchanges with Barrick Gold subsidiary Acacia Mining about security and human rights concerns at its North Mara gold mine. We have criticized the continuing high level of security-related violence at the mine and the company’s opaque and
ineffective grievance process.

We also conducted a third field assessment, interviewing 26 claimants and family members who reported rape, assault, or deaths at the hands of police or mine employees. Some have signed settlement agreements with the company. Claimants reported a lack of fairness in the agreement process, problems in the way in which agreements have been implemented, inequitable remedy, and a hostile or indifferent attitude.

**Regulatory effectiveness in Canada – The need for regulations that protect people and the environment**

Our work on the issues at this mine helped to stimulate a Government of Tanzania inquiry in 2016, which received claims that 65 people have been killed and 270 people injured by police responsible for mine security. However, this may be only a fraction of the actual number of victims as, for instance, the report failed to address killings and injuries by private security hired by the mine.

**Making Environmental Assessment Work for the Public and the Planet**

MiningWatch has worked on environmental assessments (EAs) of dozens of mining projects, directly and in collaboration with other groups and affected communities. We have been very concerned by the limited effectiveness, the inefficiency, and the inequalities of EA in Canada — and the erosion and dismantling of those aspects of the process that did work in the public interest, and in the interest of sustain-

**Movement building and community support – Working in common cause**

**In Canada**

**Revitalizing Environmental Assessment in Ontario**

We have been providing information and findings to the Auditor General of Ontario about the province’s outdated Environmental Assessment Act. In December, the Auditor-General released a damning report highlighting that Ontario is the only Canadian jurisdiction in which environmental assessments are generally not required for private-sector projects, and that Ontario ranks first in Canada as having the biggest environmental liability in the mining sector. In collaboration with our partners, the Canadian Environmental Law Association (CELA), CPAWS Wildlands League, and Wildlife Conservation Society (WCS), we released a road map urging Ontario to act and to help the government get it right.

**Assessment Shows Flaws of Ajax Open Pit Mine**

KHMG’s proposed Ajax copper and gold mine on the edge of the City of Kamloops is fiercely opposed by a significant proportion of Kamloops residents. We coordinated a visit to the area in March by a Quebec delegation who met and presented a letter to Kamloops City Council about the impacts of the open pit mine in the town of Malartic. We also produced an economic risk analysis, which concludes that the Ajax mine “does not make economic sense” and “represents an unconscionable risk to investors, governments and the public.” We recommended that the mine should not be permitted and that an investigation be undertaken by the B.C. Securities Commission for inadequate disclosure of risks and costs.

**Malartic Citizens Demand Compliance with Laws and Standards**

The Canadian Malartic mine in Quebec is the largest open pit mine within city limits in Canada, and has racked up over 171 environmental infractions and over 3000 non-compliances since it opened in 2009. We have been providing support to residents affected by the mine’s operations through workshops and meetings with the company and health authorities. We also helped a citizens’ committee file a class action suit to compensate for past and ongoing pollution, and seek an injunction to restrict the mine’s sound levels and mining volumes.

**The Sisson Mine Should Not Be Approved**

The proposed Sisson open-pit tungsten and molybdenum mine is in the heart of the upper Nashwaak River Valley in New Brunswick. First Nations have said “no” to the project, and important questions about the environmental effects remain unanswered.

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Communications & advocacy – Getting the word out, reinforcing credibility, ensuring relevance

OceanGold Loses Long-Running Suit Against El Salvador

In 2009, Pacific Rim Mining brought an “investor-state dispute settlement” (ISDS) case against El Salvador. The company, now owned by OceanGold, sued for US$250 million for lost potential profits after not being granted permits for a gold mining project. After seven years and millions of dollars in legal fees, the panel found that the company had never met regulatory requirements to obtain those permits and owes the country US$8 million in costs.

In collaboration with international allies in solidarity with the National Roundtable Against Metal Mining in El Salvador, we helped build public awareness and pressure around this case. Our campaign will now focus on pressuring the company to “pay up and pack up.”

Strengthening Corporate Research for Community-Based Work

Mining-affected communities and civil society organizations often lack key information and analysis on transnational companies. This results in strategies that are based on a limited understanding of the key factors driving a particular company’s decisions.

To help fill this gap, we are in the midst of a project to adapt a strategic corporate research tool to mining conflicts, in collaboration with the Latin American Observatory of Mining Conflicts (OCMAL), the Latin American Observatory of Environmental Conflicts (OLCA) and Above Ground.

Voices for Effective Policy Regulation and Governance in Africa

The Alternative Mining Indaba in Cape Town, South Africa, runs parallel to the official Mining Indaba (Indaba is Zulu for “gathering”). It serves as a space for mining affected communities across southern Africa and beyond to debate and critique the socio-economic costs and consequences of mining on our citizens and environment, and to develop and articulate alternatives to the profit-driven mining regimes which currently proliferate across the continent. Participating in this year’s event allowed us to build deeper linkages with community struggles and NGOs across southern Africa.

Calling for the Closure of a Company-Sponsored Foundation in El Salvador

MiningWatch collaborated with the National Roundtable Against Metal Mining in El Salvador and local organizations on a report that documents the activities of OceanGold’s El Dorado Foundation. The company is using the Foundation to try to lay the groundwork for its highly disputed gold project. Mining, Corporate Social Responsibility, and Conflict: OceanGold and the El Dorado Foundation in El Salvador finds this to be deceitful, disrespectful, and dangerous, and calls for the closure of the Foundation.

Board of Directors in 2016

Co-chairs: Earl Commanda, Ottawa, Ontario
Anne Sam, Fort St. James, British Columbia
Treasurer: Ian Thomson, Ottawa, Ontario
Secretary: Esperanza Moreno, Gatineau, Quebec
Directors: Ken Luckhardt, Toronto, Ontario
Jean Symes, Ottawa, Ontario
Laura Calm Wind, Thunder Bay, Ontario
Bruce Maclean, Winnipeg, Manitoba
Tracy Glynn, Fredericton, New Brunswick

Members in 2016

1. Alternatives North
2. Bathurst Sustainable Development
3. Bedford Mining Alert
4. Canadian Environmental Law Association (CELA)
5. Canadian Parks and Wilderness Society (CPAWS)
6. Centre for Longterm Environmental Action Newfoundland/Labrador (CLEAN)
7. Canadian Union of Public Employees (CUPE)
8. Development and Peace
9. Friends of the Earth
10. Friends of the Stikine Society
11. Innu Nation
12. Inter Pares
13. Kairos - Canadian Ecumenical Justice Initiatives
14. Mixedwood Forest Society
15. Nature Canada
16. Northwatch
17. OPSEU (Ontario Public Service Employees Union) Social Justice Fund
18. Polaris Institute
19. Public Service Alliance of Canada (PSAC)
20. Quebec Native Women
21. Rivers Without Borders
22. Sierra Club of Canada
23. Steelworkers Humanity Fund
24. Unifor Social Justice Fund
25. United Church of Canada
26. Watershed Sentinel Educational Society
27. Yukon Conservation Society (YCS)
# MiningWatch Canada / Mines Alerte Canada

## Statement of Financial Position as at December 31, 2016

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<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
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<tbody>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
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<td>Cash</td>
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<td>Short-term investments</td>
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<td>Accounts receivable</td>
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<td>Due from Canary Research Institute</td>
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<td>Prepaid expenses</td>
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<td><strong>Total</strong></td>
<td><strong>$417,831</strong></td>
<td><strong>$339,477</strong></td>
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<tr>
<th><strong>CURRENT LIABILITIES</strong></th>
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<tr>
<td>Accounts payable and accrued liabilities</td>
<td>$18,220</td>
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<td>Government remittances payable</td>
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<td>Deferred revenue</td>
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<td><strong>Total</strong></td>
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<td><strong>113,644</strong></td>
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<th><strong>DEFERRED LEASE INDUCEMENT</strong></th>
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<td></td>
<td>5,144</td>
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<tr>
<td><strong>Total</strong></td>
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<td><strong>113,644</strong></td>
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<table>
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<tr>
<th><strong>NET ASSETS</strong></th>
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<tbody>
<tr>
<td>Reserve fund - internally restricted</td>
<td>$182,000</td>
<td>$152,000</td>
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<tr>
<td>Legal fund - internally restricted</td>
<td>25,000</td>
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<tr>
<td>Unrestricted net assets</td>
<td>80,888</td>
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<td><strong>Total</strong></td>
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<td><strong>225,833</strong></td>
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<tr>
<td></td>
<td><strong>$417,831</strong></td>
<td><strong>$339,477</strong></td>
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</tbody>
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### Total Revenue

**$764,273**

- Grants: 37%
- Program generated: 8%
- ICLMG project: 15%
- Memberships, donations: 15%

### Total Expense

**$702,218**

- Council meeting coordination: 13%
- International program: 14%
- Domestic program: 14%
- Effecting regulatory systems program: 16%
- Communications program: 5%

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*MiningWatch Canada is thankful for support from the following organizations:*

- Canadian Labour Congress
- Canadian Union of Public Employees
- Concerned Citizens of Quesnel Lake
- Clayoquot Action
- Ecotrust
- Inter Pares
- Mountain Equipment Co-op
- Northern Confluence
- Ontario Public Service Employees Union
- Patagonia Environmental Grants Fund of Tides Foundation
- Primate’s World Relief and Development Fund

- Public Service Alliance of Canada
- SAGE Fund
- Sigrid Raising Trust
- Swift Foundation via Global Greengrants Fund
- The Fund for Global Human Rights
- Unifor Social Justice Fund
- United Church of Canada
- Wilderness Committee
- West Coast Environmental Law
- Environmental Dispute Resolution Fund

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(Please note that the audited financial statements are available on request.)