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May 22, 2009

Ms. Irene Khan
Secretary General,
Amnesty International,
1 Easton Street,
London, WC1X 0DW
United Kingdom

Dear Ms. Khan:

We note with concern the Public Statement issued by Amnesty International ("AI") of May 11, 2009, titled "Papua New Guinea: Forced Evictions and destruction of property by Police in Porgera must end", and believe that the statement contains a number of significant factual errors. We would be pleased to meet with you to discuss the matters raised in that statement; however, we are sharing our views concerning AI's statement in advance of any such meeting and request that you set the record straight with respect to these matters.

Amnesty International's May 11 Public Statement

The "Public Statement" regarding Porgera was an urgent call for

"… immediate action to protect more than 1,000 people who have been left homeless." It also urged the PNG government to immediately stop the "forced eviction" of people in the Porgera valley and the destruction of their property.

The stated basis for AI's urgent demands was, admittedly, quite alarming. AI's Public Statement:

- asserts that there were illegal, forced evictions within the Porgera mining area that were carried out without notice or consultation;

- asserts that the purported evictions were accomplished by burning down some 350 houses;

- asserts that the purported evictions left more than 1,000 people homeless, in need of "... shelter, food, water and access to medical assistance" and

- implies that the purported evictions were carried out as a punitive measure with the use of disproportionate force.

No substantiation is provided with respect to these assertions.

AI also characterizes Barrick as the operator of the Porgera Mine and the responsible party for such purported evictions, suggests that Barrick does not abide by the Voluntary Principles on Security and Human Rights, and implies that its failure to do so is responsible for the purported forced evictions at Porgera. AI goes on to demand that the Canadian Government urgently intercede to insist that Barrick begin to comply with the Voluntary Principles on Security and Human Rights. AI also calls for a "... full and independent investigation" in order to "...bring those responsible to justice".

These are enormously serious allegations directed at Barrick[1] and the PNG police. Indeed, AI has labeled these actions as a "gross violation of human rights," which, as you know, is perhaps the most serious accusation that can be made against an individual, company or country. Under principles of international law that term is ordinarily reserved for matters such as systematic genocide, slavery, or arbitrary or mass executions. There can't be an accusation that has the potential to be more damaging than that to one's reputation. Consequently we would have expected that AI would have carefully researched such a matter and carefully considered the language that it used before issuing such a Public Statement.

The Facts as Barrick Understands Them.

Since April 27th Barrick has been able to conduct inquiries into the incident (i.e., the government's razing of structures in the Wangima area near the Porgera mine) that became the subject of AI's May 11th Public Statement. Barrick's inquiries were made in consultation with the Porgera Joint Venture and a significant number other people, including numerous local authorities and community leaders. The results of those inquiries paint quite a different picture than that presented by AI's Public Statement. Briefly, we will compare the facts as we understand them to AI's characterizations:

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[1] We note that AI's Public Statement regarding the police action inexplicably refers to "Barrick" about 10 times but never once mentions the Porgera Joint Venture ("PJV"), the company that actually owns and operates the mine. The PJV is a joint venture between the Enga Provincial Government, local Ipili landowners who own the land contained in the Mining Lease, and, recently, two subsidiaries of Barrick – Barrick (Goldfields and PNG Holdings) Limited and Barrick (Niugini) Limited.

- The police actions, in question were, to our knowledge, neither evictions nor illegal, as AI has stated. We understand that upon verbal notice by the police, the occupants of the shelters in question vacated them. At the time the police came upon the shelters on April 27, 2009, the shelters had been vacated. We understand that the occupants were not from the area and did not have a legal right to occupy the land within the Special Mining Lease. We understand that they used the shelters as staging points for trespassing into the PJV open pit area to illegally mine gold or for other illicit activities.

- The police actions, were not conducted without notice, as AI has stated. Numerous PNG individuals have confirmed that the police gave at least 24 hours verbal notice in advance of the specific operation at Wangima that they would be conducting a search of the area for illegal drugs, illegal mining, alcohol trafficking, unlawful occupancy and criminal trespass. Indeed, the increased police presence and intention of the Government of Papua New Guinea to deal with these matters, and associated crime and violence had been common knowledge in the community for nearly a month, having been communicated publicly and widely by local authorities including written notice that was widely published and posted in the area.

- The police actions in question, were not conducted "within the Porgera mining area," as AI has stated. The area where the PJV is mining is largely surrounded by a fence. The area that was affected by the police action was a temporary encampment outside of the fenced mining area. The PNG police, not Barrick, have principal responsibility for law and order outside of the mine.

- There were not "350" "houses" razed and burned by "police officials", as AI has stated. On-the-ground inspections of the Wangima area by PJV employees and discussions with numerous individuals within the local community reflect that approximately 50 temporary structures were dismantled. Of the 50, approximately 35 were apparently razed and burned by PNG police on April 27. Twelve to fifteen others were burned or dismantled on the 28th of April, reportedly by individuals who had established a temporary presence in the area but who elected to leave the area in view of the increased police presence in the area, ban on alcohol, and enforcement of the law regarding illegal weapons and illegal mining.

- There are not "1,000 people" who were left "homeless," as AI has stated. Indeed, it is not clear that anyone was left homeless. The number of people who used the 35 shanty or hut structures razed by PNG police is unknown. But, for a variety

of reasons, it would be closer to 50-75 than 1,000. Almost all of those people were in-migrants from other parts of PNG, often hundreds of miles from the Porgera valley, temporarily residing in these crude structures adjacent to the mine so that they could partake in illegal mining and other illicit activities. Inquiries in the community reveal that virtually all of the people who used the structures have permanent homes in their own villages. Those inquiries indicate that after April 27th, the majority of the people affected returned to their family homes in their own villages once it was clear they could not continue to profit from various illegal activities associated with the illegal mining population at Porgera.

- There is no evidence that the police actions in question, were carried out as a "punitive measure," as AI has implied.

- There is no evidence that the PNG police who carried out the actions in question used excessive or disproportionate force, or, indeed, that they used *any* force. PJV made inquiries of local police as well as community leaders and local health care providers regarding this allegation. None of those parties suggested that the police actions in question involved *any* violence. We understand that the hospital has confirmed that it has not treated *any* person for injuries suffered as a result of police use of force. The hospital has reported a significant *decrease* in injuries associated with violence as a result of tribal fighting, domestic violence or criminal assault since the increased police presence in the area.

- Barrick's existing security policies, in fact, are entirely aligned with the Voluntary Principles, as are the policies of PJV, which is the owner and operator of the mine. In connection with this deployment, PNG police agreed in writing as requested by the PJV that PNG police would act in compliance with the Voluntary Principle's in such deployment. PJV did exactly what the Voluntary Principles recommend.

- There has been independent monitoring by observers from outside of PNG, including foreign diplomatic representatives, of the actions of the police associated with their recent efforts to restore law and order to troubled areas in the Porgera valley area.

Virtually every 'fact' recited by AI was either without foundation or unfairly painted a picture of this action by PNG police and Barrick that, is fundamentally misleading. However, as discussed below, the AI's May 11th Public Statement is almost as remarkable for the information about the results of the police action that it *omitted* as for the false information that it contained. We are quite willing to share with

AI a more detailed explanation of our understanding of the facts recited above to enable AI to accurately report the situation on the ground in the Porgera valley.

The Apparent Method and Purpose of AI's Statement

Several aspects of gap between the facts as recited in AI's May 11th Public Statement and the facts as we understand them after extensive inquiries lead us to question both the adequacy and the integrity of AI's process leading to the publication of its Public Statement

We would assume that ordinarily AI requires some reasonably objective and reliable factual information before it puts out a worldwide alert accusing a country and a public company of having engaged in a "gross violation of human rights," including, specifically, an illegal, unannounced forced eviction, leaving more than 1,000 people "homeless" without "... shelter, food, water and access to medical assistance," and using disproportionate force in the course of destroying 350 "houses". However, our own analysis of the public record demonstrates that virtually every 'fact' in the various reports surrounding this event was initially generated by one source – MiningWatch Canada – and, specifically, Catherine Coumans - an anti-mining and anti-Barrick[2] activist, in concert with two individuals (Jethro Tulin and Mark Ekepa) from PNG who are seeking to negotiate compensation with PJV.

It appears to us that AI did not conduct *any* independent investigation of substance before publishing its "Public Statement" and we are concerned that it was simply acting as a conduit for the intentionally embellished and harmful allegations of third parties who were advancing their own agendas. We certainly do not suggest that Ms Coumans, Mr. Tulin and Mr. Ekepa should not be able to pursue whatever advocacy they wish. However, given the very public track record of Ms Coumans and Mr. Tulin in their extraordinary exaggerations concerning Porgera[3], we submit that AI

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[2] As you may know, Ms Coumans also is a principal in protestbarrick.net, a networking organization that exists solely to vilify Barrick with unsubstantiated and unaccountable claims of illegal acts purportedly committed at the mines with which Barrick is associated.

[3] For example, on March 4, 2009, Ms Coumans said the following regarding Porgera in a speech at a protestbarrick public event at the University of Toronto:

> "Other really serious issues to do with the security guards. Um, the mine is heavily militarized and the security guards basically shoot to kill. And have been for years now. Um, and the way that they keep people out of the pit and out of the waste streams is by killing them, or by badly beating them up and in terms of women they're raping them. And there's *mass rapes*.
>
> *Question from Paul York to Coumans*: You mentioned they'd killed - *Barrick has killed about 60* people in the last few years right? You mentioned, you referred to that...

had a duty both to conduct its own inquires before republishing this version of the 'facts' and to inform the recipients of AI's Public Statement agendas of the principal sources of its report, which AI should have known were not objective.

Indeed, we found it puzzling that AI was sufficiently concerned about the police deployment and actions in question, to issue a worldwide alert to call for "... immediate action to protect more than 1,000 people who have been left homeless" in the Porgera area but did not, in the two weeks following the alleged incident, contact PJV or Barrick to see if either entity could provide or arrange for emergency assistance for such people. No one was better situated or able to do so, on an urgent basis, if anyone actually required it.

Similarly, it is obvious that PJV and Barrick would have been keenly interested in the actions of the police, uniquely informed, and able to provide some on-the-ground perspective, as well as address directly the extremely serious allegations AI intended to make. Consequently, we are also surprised that AI did not choose to contact PJV or Barrick to obtain any information that either might have concerning the events of April 27th before accusing Barrick of a gross violation of human rights.

In any event, immediately following the incident that is the subject of AI's urgent appeal Barrick made its own inquiries (either directly or through the PJV) regarding the events in question. As part of those inquiries we arranged for site inspections by PJV personnel. We contacted police officials nationally and locally, as well as police officers on the ground, numerous representatives of the PNG government, local community and tribal leaders, local health care providers, and international observers representing foreign governments. We also spoke at length with numerous people in the local communities. We are not aware of any effort by AI to do *any* of these things.

Rather than conduct inquiries similar to our own - which would have revealed what was actually happening on the ground – an AI representative in London appears to have simply worked with Ms Coumans on the publication of the Public Statement. Had AI instead taken the time to do a serious examination of the facts provided to it by Ms Coumans et. al. it would have revealed the extent of the orchestrated misrepresentations.

Finally, we also found it troubling that AI would issue a report on May 11th, two weeks after the incident, which utilized press reports from the day or two following the event but which did not acknowledge any subsequent press or attempt to include

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Coumans responds: It's very hard, the numbers are clearly hard to pin down, ... but *yeah, it's in that ballpark."*

These are totally outrageous and unsubstantiated allegations which have no foundation in fact.

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updated factual information that was readily available to AI. Had AI conducted adequate inquiries of its own or acknowledged more recent press it would have been clear that the area near Porgera was reported to be peaceful, that local people had voluntarily surrendered to the police scores of illegal firearms, that there had been a significant reduction in both violence and crime reported in the area, that the incidence of injuries in the community requiring hospital care had dropped markedly, that incidents of public drunkenness and drug use were down significantly, that there was widespread community support for the action of the police, particularly among women and youth, and that a substantial majority of community and tribal leaders were asking the PNG government *to extend* the period of the increased police presence. We would have thought that AI would have considered such facts to be relevant.

In the two weeks between the incident and the issuance of its Public Statement AI could easily have arranged for the structures that had been razed and burned to be counted to determine the credibility of Mark Ekepa's preposterous report in the press of 300 more houses burnt. In that two-week period AI could also have easily determined whether there really were 1,000 newly "homeless" people seeking shelter, food and water in the Porgera area – which ostensibly was the basis for its call for "immediate action." Instead, AI merely served as a conduit for MiningWatch Canada's hysterical call to action.

A Call to Retract the Public Statement

As you may know, the Public Statement issued by AI was coincident with a ten week long anti-Barrick marketing campaign of protestbarrick and MiningWatch Canada, which started with AI's February 28th conference in Toronto "Water a Human Right?"[4], moved to Barrick's annual general shareholders' meeting, then on to Ottawa and Montreal, and continues this week in New York. It is a campaign – largely underwritten (at least as it relates to Mr. Tulin and Porgera) by MiningWatch Canada - that is unhinged from the truth and is calculated and designed to damage the reputation of Barrick wherever we have mines or projects. We regret that AI chose to be an active participant in and lend its credibility to that campaign[5].

In any event, virtually all of the individual facts recited by AI in the May 11 Public Statement are demonstrably incorrect and the overall picture of the impact of the police deployment is highly misleading. Barrick has no hesitation having AI publicly

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[4] Amnesty International's Business and Human Rights Group hosted a conference in Toronto on February 28th. Most of the afternoon session was consumed by a series of speakers from protestbarrick who focused exclusively on criticism of Barrick.

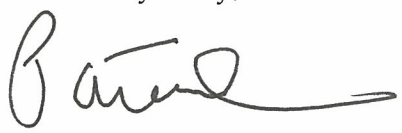
[5] Amnesty International's published statement is now being used as the centerpiece of a campaign by the Australian representative of protestbarrick for "urgent" fundraising purposes, ostensibly to protect the "now homeless" at Porgera.

address issues of public concern at any operation with which Barrick is associated. However, this particular AI publication was neither accurate nor was it produced in a credible or transparent manner. We urge you to act now to set the record straight and limit the damage to the reputation of Barrick – and ultimately that of AI - that is a consequence of a report of this sort. We respectfully suggest that AI promptly publicly retract the May 11 Public Statement, remove it from AI's website, and refrain from republishing it. We would appreciate prompt confirmation that you intend to do so.

Future Communications

In the future, if AI has a serious or urgent concern regarding the operation of a mine with which Barrick is associated I would encourage you to contact our Executive Vice President Corporate Affairs, Kelvin Dushnisky, or myself. Please ensure that this request is distributed within Amnesty International. Thank you.

Yours very truly,



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Executive Vice President
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cc. Mr. Alex Neve, Secretary General, Amnesty International Canada