

Press Release
Peaceful Resistance of La Puya

We are the communities resisting the Progreso VII Derivada mining project located in San José de Golfo and San Pedro Ayampuc, owned by US-based Kappes Cassidy & Associates and its Guatemalan subsidiary EXMINGUA S.A. [The company] imposed this project on our communities in a deceptive manner, working with the government to hide information about its existence.

The exploitation license for the Progreso VII Derivada project has been suspended since February 22, 2016 by a provisional court order for failure to consult communities. The company did not respect this court order and continued operating until May of the same year. As a consequence, [the company] is being investigated for the crime of illegal exploitation. In addition, it was proven in Guatemalan courts that the company did not obtain a construction license.

Now we are concerned having learned that on Tuesday, December 11 of this year, the Nevada, US-based mining company, Kappes Cassidy & Associates -KCA- filed an international arbitration claim against the State of Guatemala under the rules of the CAFTA-DR free trade agreement with the International Center for Settlement of Investment Disputes (ICSID) for the exorbitant quantity of 300 million dollars.

We are concerned that this foreign mining company has criminalized [community members] and disrupted social harmony in communities. [The company] threatens the life of the ecosystems in the area and the quality of human life, given that it carried out one of the worst Environmental Impact Studies (EIS) ever approved by the Ministry of the Environment and Natural Resources. [The EIS] shows that the gold and silver are contained in arsenopyrite rock, which contains high levels of arsenic. Levels of arsenic in the water increased considerably during the time the mine was in operation.

We Insist and Demand that the State of Guatemala:

- Be attentive to the wrongdoing of this company.
- Not forget its responsibility to protect life, security and integrity of the population.
- Not violate the principle of constitutional supremacy and protect the common good over the individual.
- Respect the legitimate right of the people to protest and resist when their rights have been or are being violated.
- Inform us about the process and content of the arbitration at ICSID.
- Not place commercial rights above Human Rights, and that the Office of the Human Rights Ombudsman ensure strict respect [of our rights].
- Ensure that the Constitutional Court and the Justices are not intimidated and that the cases currently before them are allowed to play out and that rulings are based on the law.
- Declare the CAFTA-DR free trade agreement detrimental and denounce it as such based on the Political Constitution of the Republic in article 183 subparagraph o), given that

Guatemala has already had to pay 32.4 million dollars to two US companies (RDV and TECO) and is currently subject to arbitration claims for hundreds of millions of dollars.

To the National and International community, we ask:

- That you remain attentive to the actions of the Guatemalan State and regarding KCA's million dollar claim in ICSID at the World Bank.

**For the life and dignity of the people!
Yes to Life, No to Mining!**

Guatemala
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resistencia@riseup.net