



BRIEFING FOR INVESTORS and EQUITY ANALYSTS – March 2014

African Barrick Gold plc

**A Pattern of Abuse:
Human Rights at Risk at the North Mara Mine, Tanzania**

There has been a long history of violence at ABG’s North Mara mine in Tanzania (‘the Mine’), including multiple deaths and injuries caused by Tanzanian police officers who are paid by the company to protect the Mine, as well as credible evidence of rapes of women by members of the Tanzanian police and employees of the Mine’s security unit.

Deaths and Injuries at the North Mara mine between December 2008 and January 2014

Since December 2008, there have been **at least**:

- 16 people shot dead by police
- 11 people injured by police ammunition

This has occurred on 14 separate occasions – indicating a chronic problem.

Since December 2008, police officers have shot dead people at or in close proximity to the Mine on at least eight different occasions.

- On 11 December 2008, a man was fatally shot.
- On 21 January 2009, a villager prospecting for gold at the Mine was shot dead.
- On 2 June 2009, two prospectors were killed.
- On 8 July 2009, one of the villagers was shot and killed by police while they were chasing prospectors from the Mine.
- On 15 October 2009, a prospector was shot in the back by police and died.
- On 2 February 2010, four people were killed at or in close proximity to the Mine site by police.
- On 16 May 2011, 5 people were shot dead and three others injured, including one man who was made paralysed. At least two of the 5 deceased were shot from behind.
- On 7 May 2012, one prospector was shot in the chest and killed.

In addition to the above, there have been other reports of deaths that ABG has not yet confirmed, including **at least four in the month of January 2014 alone**.

During the same period, police officers have shot and injured people at or in close proximity to the Mine on at least eight occasions:

- On 13 March 2009, a prospector was shot by police and injured at the Mine.

“In the face of circumstances such as this, people who don’t know much about the mining industry are likely to wonder if it’s like this all the time. It isn’t. The events I have described are serious, intolerable and must be resolved no matter how long it takes.”

**Aaron Regent
President and CEO of Barrick at the
time of the 16 May 2011 incidents,
The Globe and Mail, 22 June 2011.**

Rapes at the Mine

Use of force and firearms is not the only human rights abuse involving security at the Mine. In 2011, ABG announced it had received credible allegations of sexual assaults against women by police and Mine employees. At least 14 women have been victims of sexual assault by Tanzanian police operating at the Mine or by employees of the Mine’s security unit. Such abhorrent abuse should have resulted in prosecutions of the men involved and the Mine employees who failed to report the abuse.

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- On 2 June 2009, two prospectors were shot and injured by police at the Mine.
- On 28 September 2009, a prospector was injured when a tear gas bomb thrown by police exploded near him and injured him.
- On 15 March 2010, a prospector was shot in the left leg by police at the Mine.
- On 9 May 2011, two prospectors were shot by police while on the Mine site.
- On 14 May 2011, one prospector was shot after police opened fire at a group of prospectors.
- In addition to the five deaths on 16 May 2011, a local villager was shot by police in the right side of his body. The bullet passed through to his back on the left side and left him paralysed. Another prospector was shot in the leg.
- On 14 July 2011, police started shooting towards a group of prospectors randomly and without warning. A prospector was shot and injured.

Legal action against ABG

ABG is being sued in the High Court in England by Tanzanian villagers who claim that ABG and its 100% subsidiary, North Mara Gold Mine Limited (NMGML), are liable for the deaths and injuries allegedly caused by the use of excessive force at the Mine. The claimants include the relatives of six men who were killed and one man who has been left paraplegic. They are suing the companies in the hope of receiving just compensation.

The companies deny the allegations. They contend that the police used reasonable force against armed and violent intruders and that they have no control over the police.

In 2013, ABG and NMGML tried to get a Tanzanian court to declare that they could not be liable. However, the Claimants successfully obtained an anti-suit injunction in the High Court in England, preventing ABG and NMGML from pursuing the proceedings in Tanzania.

The High Court also ordered that ABG and NMGML pay the costs of the Claimants, including over £100,000 on account.

Why do deaths and injuries at the Mine keep happening?

ABG states that the shootings have occurred on occasions when villagers entering the Mine have been armed and violent and that the police have responded with reasonable force to defend life and property. However the Tanzanian police force is internationally recognised as brutal and corrupt. The United States Department of State Country Report on Human Rights Practices for each of the past several years for Tanzania notes that “excessive force, police corruption, and impunity were reported throughout the year”. It lists the “use of excessive force by police” as one of the “most widespread and systemic human rights issues in the country”.

ABG continues to rely on the Tanzanian police as an integral part of the Mine’s security system, paying them to patrol the perimeter and calling them onto the site several times a day. Through its subsidiary, ABG has an agreement with police under which the police get paid to provide security to the Mine. They are supposed to follow international standards which say that lethal force must only be used to protect life (not property) and only as a last resort.

Until ABG improves its relations with the North Mara community and puts in place a security strategy that is compliant with international standards, these incidents are likely to continue to occur. Relying on police who all too readily use live ammunition to protect the Mine is not the solution.

Why do people go on to the Mine?

The area where the Mine is located is one of the poorest and most remote in Tanzania. Before the commencement of large scale mining, local villagers undertook small-scale mining and were able to make a living from the gold they found. The most lucrative areas have been taken over by the Mine. Every day, hundreds of men and women go to collect rocks that they hope contain tiny amounts of gold. Many see prospecting for rocks on the Mine as their only way to survive.

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Questions for investors to ask of ABG

Why are police using lethal force to protect the Mine's property?

If police only use lethal force to protect life, why aren't employees and police instructed to withdraw before a threat becomes imminent rather than shooting people?

Given the pattern and scale of the problem, why does the company continue to rely on the Tanzanian police on a daily basis?

ABG says it has an agreement with the police in which it expects the police to comply with international standards and respect human rights. Is ABG not enforcing the agreement?

How much is it costing ABG to defend litigation in the UK courts? How can investors be sure there will be no more litigation?

Why doesn't ABG implement a security system compliant with international standards that does not rely so heavily on police to use live ammunition?

Is there any indication that the level of conflict is likely to decrease in the coming years? Can the company guarantee that continued conflict will not become a costs burden?

Have police and Mine security employees been prosecuted for rape or sexual assault, or for the deaths and injuries? Does a lack of prosecutions encourage a sense of impunity that perpetuates the abuse and violence?

For more information contact:

- Catherine Coumans, MiningWatch Canada, (1) 613-569-3439, catherine@miningwatch.ca
- Patricia Feeney, Rights and Accountability in Development (UK), cell 44 7796 178447, tricia.feeney@raid-uk.org