

Failure to Disclose Material Risk

Are you aware of how Glamis Gold Limited operates in Central America? Is your investment truly "Low Risk"?

It appears that Glamis management has not informed shareholders of the material risks to this project, either on their website, in their SEDAR filings, or in direct communication to shareholders and analysts. We think you should be aware of the facts.



On January 10, 2005, an indigenous farmer was killed while opposing Glamis' activities in Guatemala. While the Guatemalan State may have been materially responsible for the death, Glamis Gold's wholly owned subsidiary, Montana Exploradora, is directly benefiting from the military and political support its mining operation enjoys.

Through your investment in Glamis Gold, you, too, are enjoying the benefits of military and political protection. The price? The violation of human rights, indigenous rights according to international law, and the environment.

Mining investment is being promoted as the best form of economic development for post-war Guatemala using the Canadian experience as a model. However, indigenous peoples both in Canada and Guatemala have a very different experience than the regulated, controlled, and sanitized one put forth in promotional materials.

Consider the Following:

- Hundreds of indigenous peoples and rural farmers protested the movement of mining equipment to the Marlin site for more than 40 days. One life taken away is already too many. How many more lives will it take so that you can benefit from your investment?
- Bishop Ramazzini of San Marcos, the department where the Marlin Project is located, has received anonymous death threats for his support of the affected

communities and their demands for adequate consultation and a halt to all mining exploration and exploitation until concerns have been addressed.

- In pursuing the construction of the Marlin mine, Guatemala is in violation of International Labour Organization Convention 169. This convention guarantees consultation with indigenous groups before activities proceed that significantly impact their livelihoods. Guatemala has ratified ILO Convention 169. Affected communities have yet to be appropriately consulted.
- The Glamis-owned San Martín mine in neighbouring Honduras continues to operate despite strong evidence of skin and respiratory illnesses from mining wastes.
- A broad coalition of 60 organizations have supported a statement denouncing the violence, saying that development in Guatemala should benefit the Guatemalan people, not just transnational corporations and their shareholders.

On February 2, the mayors of indigenous communities in areas under lease to mining companies were promised a government moratorium on existing licenses for three projects, including a Montana Exploradora mine. The Mayan peoples have a right to their ancestral lands!

The country is clearly polarized on the issue of what investment will best suit Guatemala's economic needs in the post-war reconstruction of the country. What the Mayan communities and civil society are clear on is that mining development as it now exists is neither wise nor profitable for Guatemalans. Canada's reputation for fairness and integrity has been damaged by mining operations such as yours, through your investment in Glamis Gold.

Continued opposition to the Marlin Project and Montana Exploradora can be expected, with corresponding state repression. This is not, as Glamis maintains, a "Low-risk operation based in the Americas."

As an investor wouldn't it be appropriate to ask Glamis why it hasn't adequately informed you -- publicly or in their filings -- about material risks to this operation?

Please do not invest in the continued repression and exploitation of indigenous peoples across the Americas. Please reconsider your investment in Glamis Gold.

For further information, contact:

MiningWatch Canada (www.miningwatch.ca)
Union of BC Indian Chiefs (www.ubcic.bc.ca)
KAIROS: Canadian Ecumenical Justice Initiatives (www.kairoscanada.org)
Council of Canadians, BC Regional Office (www.canadians.org)
Ecumenical Task Force for Justice in the Americas
Indigenous Network on Economies and Trade