

- **“What does Hudbay have to hide from Peruvians? MiningWatch Canada Staff Member, US Journalist Arbitrarily Detained in Peru over Documentary About Hudbay Minerals’ Operations”**, MiningWatch Canada, 24 April 2017, available here: <http://miningwatch.ca/news/2017/4/24/what-does-hudbay-have-hide-peruvians-miningwatch-canada-staff-member-us-journalist>
- **“Peru evaluates expelling two foreigners for ‘inciting’ anti-mine protests”**, Reuters, 23 April 2017, available here: <http://www.reuters.com/article/us-hmi-peru-foreigners-idUSKBN17P0YL>
- **“Peruvian police detain filmmaker after showing documentary critical of Hudbay Minerals”**, John Dougherty, Investigative Media, 24 April 2017, available here: <http://www.investigativemedia.com/peruvian-police-detain-filmmaker-after-showing-documentary-critical-of-hudbay-minerals/>

All areas of corporate responsibility are serious and important. They deserve care in administration by a company and substance in discussion by everyone. No concern is served by hyperbole, innuendo or baseless accusations.

We reject in the strongest possible terms claims about Hudbay made with regard to the individuals in the material at link. In support of our position we submit the following for consideration:

Allegation: Hudbay coordinated or directed the actions of police and the Peruvian government relating to the detention of two activists

Hudbay Peru has an arrangement with the Peruvian national police whereby the police provide periodic security to the Constancia operation. These arrangements are common at mining projects in Peru and they are directly contemplated and permitted by Peruvian legislation. When police come to Constancia they receive training on site in the Voluntary Principles on Security and Human Rights and Hudbay Peru’s expectation that the Principles are followed is made clear.

With regard to the assertion Hudbay had influence in this matter, we will not disrespect the Government of Peru by responding to the assertion it can be told what do by any entity.

Hudbay became aware of the April 22nd event as a result of subsequent social media and conventional media, largely the day after the detentions.

Hudbay regards the video in question as lacking credibility, so we have no concern if or where it is shown (see **Allegation: Hudbay is trying to control information to the communities around its Constancia mine.**)

A journalist writing about the video noted: “In an interview about the film, I asked him if he attempted to talk to anyone with a positive take on Hudbay or its projects. Given that thousands of people have worked for the company, often for decades, surely he could have found someone? Dougherty’s agenda is clearest when he examines Hudbay’s proposed Rosemont Mine. Incredibly, in the entire state of Arizona (pop. 6.73 million), he could not find... a single person in favour of the mine.”

<http://www.thereReminder.ca/opinion/local-angle/local-angle-anti-hudbay-film-lacks-consistent-skepticism-1.2105276>

In summary, the existence of agreements between companies and police is not uncommon in Peru. The events of April 22 were not directed or requested by Hudbay.

Allegation: Hudbay is trying to control information to the communities around its Constancia mine

This contention is untrue. This video has been on YouTube in Spanish since November 2016 and in Peruvian Quechua since February 2017 and was, as we understand it, promoted on social media as such.

The video had already been shown in communities around the Constancia mine prior to April 22nd, so there was no impact on access to the video in those communities as a result of the April 22nd event. We are confident that our activities in Peru provide ample information to local communities to demonstrate the extent to which Hudbay Peru supports the growth and development of those communities.

In any event, the questioning of the two individuals occurred in Cusco. Cusco is not a community near the Constancia mine. It is five hours away by road. We invite readers to consider that if we actually had the inclination and capacity to interfere in this situation as alleged, why then would the film have already been shown in the communities nearest the mine?

Finally, the video does not concern Hudbay because as stated we do not believe it is credible. It was paid for by opponents of Hudbay's Rosemont project (see below) in the United States, who said the project would affect the water supply to their pecan agribusiness, which has been proposed for redevelopment into a master-planned community.

http://www.gvnews.com/news/fico-begins-process-that-will-transform-sahuarita-gv/article_dcb3d5d4-67e9-11e0-b856-001cc4c002e0.html

http://www.gvnews.com/news/local/county-oks-rezoning-for-continental-farms-plan/article_ce072824-27e4-11e4-a65e-001a4bcf887a.html

http://www.salon.com/2013/04/13/leave_arizonas_national_forests_alone_partner/

The proponent states "Hudbay was given every opportunity to comment on the film during the production and refused."

In fact Hudbay was contacted by email twice, asking for interviews. Both times we declined to participate, writing initially: "Your request has received thorough consideration but must be declined. Regretfully, it is difficult to reconcile that our views can be fairly and accurately reported and presented when the video is being paid for by opponents of the project." This necessarily remained our position. We believe the video confirms our position. We were not asked to engage in fact checking upon its completion and prior to release, a common journalistic practise and one in which we have participated a number of times with journalists from established publications.

We suggest the points raised in the opinion column at link are worth considering. "Local Angle: Anti-Hudbay film lacks consistent scepticism" was written by a journalist familiar with the video, when it was released in November 2015:

<http://www.thereiminder.ca/opinion/local-angle/local-angle-anti-hudbay-film-lacks-consistent-skepticism-1.2105276>

About the Rosemont Project

For nearly ten years, the Rosemont project has moved through a robust permitting process and if permitted will conclude with regulators determining what must be done by Rosemont to balance the scope of the project with the policy objectives of local, state and national governments.

To date the permit approval process has run more than 9-years, included 17 government agencies, more than 400 studies and 43,161 public comments.

The project site lies directly at the northernmost end of the Santa Rita Mountain range. The Santa Rita mountain range covers 138,000 acres. The actual operations for the open pit would cover about around 1,000 acres. The project disturbance on-site will total approximately 4,500 acres.

The Rosemont Project was designed with efficient water use in mind. It will use the dry stack tailings method, which requires 50% less water than conventional tailings storage and does not require the use of a tailings pond for storage. The dry stack tailings facility will allow for concurrent reclamation, which will shorten the closure period.

May 8, 2017