









17 April 2018

Acacia Mining Plc.
Board of Directors
5th Floor, No. 1 Cavendish Place
London
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Sent Via Email To:

- Kelvin Dushnisky, Chairman of the Board
- Peter Geleta, Interim Chief Executive Officer
- Michael Kenyon, Senior Independent Director
- Andre Falzon, Independent Non-Executive Director
- Steve Lucas, Independent Non-Executive Director
- Rachel English, Independent Non-Executive Director
- Stephen Galbraith, Non-Executive Director

Dear Sir/Madam,

We are writing to you as a board member of Acacia Mining plc to express our concerns about the community grievance process at the North Mara Gold Mine in Tanzania, which we believe continues to fall far short of the company's human rights obligations. We hope you will raise this as a top priority at your annual general meeting this week and urge Acacia's management to rectify it.

At a time when Acacia's legitimate contribution to Tanzania's economy and development is under scrutiny as never before, we trust you will agree it is essential Acacia acts to address these concerns.

Over the past several years, there have been numerous detailed <u>reports</u> about serious human rights violations at the North Mara Mine by residents, Tanzanian parliamentarians, journalists and local and international human rights organizations. These reports describe excessive use of force by police and mine security against so-called "intruders," including killings, beatings, and sexual violence.

In an unprecedented series of incidents, local people have been shot or seriously injured at North Mara as the result of security operations. RAID and MiningWatch Canada <u>documented</u> at least 22 people killed and 69 injured, many by bullets, at or near the mine between 2014 and 2016. The death toll may be even higher. A 2016 parliamentary <u>inquiry</u> into complaints at North Mara mine received <u>reports</u> of 65 killings and 270 people injured by police jointly responsible for mine security.

In September 2017, following a visit to the North Mara mine by a delegation of eminent legal judges and experts, the International Council of Jurists (ICJ) said it was "deeply concerned about the gravity of many of [the] allegations and the difficulties [victims] experienced in accessing any adequate remedy and reparation."

Acacia Mining has attempted to refute these reports. Although, in March 2017, after considerable pressure to publish further information about deaths at the mine site, the company confirmed in its <u>annual report</u> that there had been 32 "trespasser-related" fatalities between 2014 and 2016. It provided a <u>minimal amount of data</u> on these cases, but acknowledged a number of the deaths were due to police involvement.

Acacia has sought to redress the human rights violations at North Mara through an operational level grievance mechanism. Since 2014, we and others have raised <u>concerns</u> about the mechanism on the basis that it lacked independence, permitted total company control over investigations, pressurised claimants to sign settlements they did not understand, used legal waivers to stop claimants turning to the courts, and offered inadequate compensation for the small minority of victims who made it through the process. According to Acacia's own statistics published in its 2016 annual report, 93 per cent of claims were rejected with no explanation provided. Following the public pressure, Acacia began revising the grievance mechanism. In December 2017, Acacia posted a new draft mechanism on its website.

We recognize Acacia has set out to improve its original flawed grievance mechanism, but more work needs to be done. The revised mechanism is still not compliant with human rights obligations, including the effectiveness criteria for operational-level grievance mechanisms set out under the *United Nations Guiding Principles on Business and Human Rights*. It lacks human rights benchmarks, lacks transparency, lacks independence, provides very limited legal assistance for an overly legalistic process, and creates confusion about whether it will accept complaints about police abuse at the mine site, among other problems. For further details, please see RAID and LHRC's detailed assessment and recommendations, an earlier version of which was shared with Acacia's management on March 20.

Victims of abuses have become increasingly frustrated with the lack of accountability. In 2017, a number of the victims instructed UK-based lawyers Deighton Pierce Glynn, and filed legal cases saying Acacia has been unwilling to adequately compensate them. These are the latest batch of victims turning to the UK judicial system since this is where Acacia is registered. In 2015, Acacia reached an <u>out-of-court settlement</u> with ten claimants in the UK. Dozens of earlier victims received little or no compensation, many after signing legal waivers in English, which few understand, without a lawyer to represent them.

The lack of adequate remedy for the harm suffered is part and parcel of an overall lack of justice. To date, we are not aware of any police officer having been held to account for the unlawful use of force or other serious human rights violations at North Mara mine. In its 2016 annual report, Acacia said it had fired one employee for excessive use of force, but did not say what the perpetrator did or if the individual faced justice. Acacia has also not reported on the conduct of the police force and the reliability of its investigations.

The Tanzanian government is, of course responsible for holding to account anyone who violated national laws and we <u>continue to press</u> it to do so. But Acacia also has responsibility for using its leverage with the government, as set out in the *United Nations Guiding Principles*. The onus is on Acacia to press for justice when violations are committed by mine security personnel and/or the police operating at its mines.

Without those responsible for unlawful killings and abuse being held to account, there can be no justice and there is a strong likelihood the human rights violations that have blighted Acacia's operations at North Mara will continue. This will affect Acacia's already difficult community relations, undermine its social license to operate, and negatively impact its operations.

We believe it is important for you to use your responsibility as a board member of Acacia to ensure the company's operations are fully human rights compliant and benefit the local community. Today, Acacia is far from reaching these goals.

Yours respectfully,

Legal and Human Rights Center (LHRC), Tanzania
Rights and Accountability in Development (RAID), UK
MiningWatch Canada
London Mining Network, UK
CORE Coalition, UK