

13 June 2019

Anneke Van Woudenberg
Executive Director
Rights and Accountability in Development (RAID)
89-90 Paul Street
London
EC2A 4NE

Sent via email

Dear Ms. Van Woudenberg,

Re: RAID's letter to Acacia's Board of 11 June 2019

North Mara Gold Mine Limited ("NMGML") has been passed a copy of your letter to the Board and Chief Executive Officer of Acacia Mining plc dated 11 June 2019. In your letter, you repeat the same unsubstantiated claims RAID has been making about the Mine several times a year over many years as part of its anti-mining campaign. You also, quite surprisingly, now suggest that the Mine should suspend the two key human rights protection mechanisms that are operating effectively at the Mine. Incidentally, and as you are well aware, NMGML, not Acacia, is the owner and operator of the Mine, and it falls to me, the General Manager of NMGML, not the Board of Acacia, to answer your letter.

RAID's baseless claims regarding the alleged "human rights problem" and "lack of justice" at the Mine

In your letter, you make sweeping claims about "serious human rights violations by forces providing security" at the Mine, which you claim to have documented since 2014. You fail to acknowledge, however, that the Mine has responded in detail and publicly to each of your many claims over the years. As you know, some of our many exchanges over the course of 2018 are available at Acacia's website at <https://www.acaciamining.com/sustainability/grievance-process/gp-english.aspx>. RAID has never provided any information of substance in response to our rebuttals or questions about the basis of your claims.

You also persist in misrepresenting the human rights and security situation at the Mine. For example, as usual, in your latest letter, you misleadingly conflate statistics we have published regarding trespasser accidents and trespasser-on trespasser related violence on the one hand, with statistics regarding incidents involving confrontations between intruders and the mine's private security personnel, or members of the Tanzanian police force, on the other. NMGML regrets and is alarmed by loss of life on its property and urgently responds on an ongoing basis to any such loss or allegations of loss. Contrary to your latest and still inaccurate suggestions of a growing security and human rights crisis at North Mara, however, and as is explicitly reported at page 60 of the Acacia 2017 Annual Report, in the four years between 2014 and 2017 six people are reported to have lost their lives on the North Mara mine site as a result of confrontations with members of the local police (one in 2017), and no-one is reported as having lost their lives in incidents involving the Mine's security personnel. You also overlook statistics for 2018, when no-one lost their lives as a result of

confrontations with members of the local police or with the Mine's security personnel, as reported at page 68 of the Acacia 2018 Annual Report. Your suggestion that there is a "conflict zone" and that it is linked to the Mine's business completely, and we must presume deliberately, distorts this reality.

It is surprising that, as an organisation that purports to promote human rights, you do not cite human rights standards, and that you seem to be comfortable making claims about human rights for which there is little or no factual evidence, or which are demonstrably untrue.

The Mine was not previously aware of the details of the particular 31 May 2019 incident, which you describe as an injury by a gas canister to a man who was walking along a public road near the Mine on his way home from shopping (which is the only new claim or allegation in your letter). The Mine was, however, well aware of the circumstances of an organised and violent invasion into the active mining areas of the Mine site of around 100 armed intruders that same evening, including many intruders who scaled the safety wall. Two police officers who were called to the scene later received treatment for injuries inflicted by intruders. The Mine did receive a report afterwards that one intruder had picked up a crowd dispersing smoke canister, which had been discharged to discourage intruders climbing the wall as part of their attempted invasion, and thrown it at Mine security staff and thereby may have burnt his hand whilst doing so. An initial investigation including review of CCTV footage indicates that an intruder involved in the raid appears to have done this. However, there is no evidence that any smoke canisters or other such cartridges were discharged on a public road where an innocent bystander may have happened upon it while it was still capable of inflicting burn injuries. Meanwhile the Mine awaits full details of any allegations or claims so that the facts behind the allegations now made by RAID can be properly investigated.

The Mine is also, of course, well aware of the tragic accident you mention that occurred in July 2018, when a 9 year-old girl was killed by a vehicle being driven by a Tanzanian police officer on a road outside an entrance to the mine site. As the police had not yet concluded their investigation and decided whether and how to provide support to the family of the deceased child, the mine quickly stepped in to do so immediately following the accident. The mine is also aware of four other individuals who claimed to have been hurt during the efforts of the police to maintain law and order and control the scene immediately following this tragedy. Once these individuals made their claims, several months later, they received medical assistance sponsored by the Mine, and their grievances were accepted by the Mine's CGP.

We also note that, while your advocacy and rhetoric has become more strident, your criticisms of the Mine's Community Grievance Process (CGP) continue to be unsupported and undeveloped. In your latest letter, you have again failed to acknowledge that the Mine has responded in detail and publicly to each of your many allegations and arguments about the CGP - our exchanges over the course of 2018 on the subject also are available on the Acacia website at: <https://www.acaciamining.com/sustainability/grievance-process/gp-english.aspx>.

You have also refrained from giving any explanation or reason why RAID has never provided, and still does not provide, any information about the standards it purports to apply, any substance in response to any of our rebuttals, or responses to our questions about the basis of your criticisms, claims and assertions regarding the CGP. RAID continues to simply refuse to engage on the underlying issues and simply restate your wholly subjective criticisms in increasingly inflammatory and unsupported language.

Further, your claim that, in giving community members access to potential remedies for complaints

that often focus on the alleged conduct of their own State's police, the mine is "disempowering and humiliating" them or treating them as "criminals", simply is untrue. The other claims or assertions you make about the process are flatly contradicted by the CGP procedural documents themselves, the outcomes of the extensive consultation the mine continues to undertake with its communities and feedback the mine continues to receive from community members and experts on grievance mechanisms (some of which is available on Acacia's website at: <https://www.acaciamining.com/sustainability/grievance-process/gp-english.aspx>).

By repeatedly making unfounded claims and unsupported criticisms, and otherwise failing to engage meaningfully on the CGP, RAID not only continues to undermine its own credibility but appears to be interested only in serving its own campaign and personal agendas rather than advancing the interests of the communities around the mine.

RAID's misguided suggestions about human rights protection at the Mine

In your letter, you claim that the Mine should suspend two key mechanisms that it has established and operates in accordance with authoritative global standards for preventing and addressing the risk of adverse human rights impacts. It is disappointing and rather peculiar that RAID would target these two initiatives in its campaign against NMGML and Acacia.

First, you suggest that the Mine should reconsider its relationship with the Tanzanian Police Force, a relationship that is governed by a Memorandum of Understanding, as recommended by the Voluntary Principles on Security and Human Rights (VPs) Initiative and the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. Today, the MoU incorporates and elaborates upon the model human rights clauses for agreements between government security forces and companies published by the VPs Initiative. Consistent with the UN Guiding Principles, the MoU helps the Mine to advance and improve the capability and efforts of the Tanzanian Police's own personnel to meet international human rights standards of policing as and when they seek to maintain law and order around the mine site. It also provides the Mine with the ability to press the Tanzanian government to hold all perpetrators of abuse, including the police, to account, just as RAID claims it should.

Further, there is no substance to RAID's claim that the Mine's MoU and use of its leverage and influence with the Police has proven to be ineffective. On the contrary, as detailed in Acacia's 2018 Annual Report at page 68, the Mine is continuing to see a significant year on year improvement in safety and security on the mine site, and a decline in incidents as well as decline in claims relating to confrontations between members of local communities and Mine security personnel or the Police. This is in very large part due to the mechanisms provided for in the MoU. In particular, through the MoU, the Mine conveys its expectations to the Police about respect for human rights, the Police commit to vetting officers and ensuring that all members who operate in the vicinity of the Mine have passed thorough human rights training (including on international standards on the use of force and firearms, sexual violence and treatment of vulnerable groups) and the Police agree that police officers will not be deployed to provide law and order support in respect of the Mine if they face allegations of human rights abuse.

In 2017, there were only two and, in 2018, there were only four incidents involving the police on or in the vicinity of the mine that raised, or were alleged by others to raise, possible human rights impacts. We forwarded information about these alleged incidents to the authorities for investigation and requested follow-up under the terms of the MoU. Also, under the terms of the MoU, one police

officer was removed from his post near North Mara on account of conduct that appeared not to comply with international standards for policing. Another was removed for involvement in the fatal traffic accident mentioned above under the terms of the MoU; we understand he has since been convicted of reckless driving. We will continue to review our security and safety arrangements, and seek to further reduce the risk of incidents occurring and towards eliminating such incidents altogether. One thing we will not be doing, however, is eliminating the MoU, which is a crucial and effective piece of our strategy to seek to ensure that the Police conduct law and order operations in the areas around the mine in a way consistent with respect for human rights.

Second, you suggest that the Mine should suspend the operation of its Community Grievance Process, a process established in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs). As you know and as can be seen on Acacia's website, the CGP was recently updated to further align in with the effectiveness criteria set out in the UNGPs on the basis of extensive consultation with the community and international and Tanzanian experts. As noted above, you have failed, despite many invitations, communications and meetings on the subject, to provide any constructive response to the detailed and reasoned rebuttals we have made to your unfounded and unprincipled criticisms of the CGP following its revision. You also misrepresent the extensive engagement that has gone on between us over many years. You know well that it simply is not true that my November 2018 letter is the only response you have received on the subject of the CGP. The extensive correspondence on the subject from both Acacia and NMGML is available on the Acacia website: <https://www.acaciamining.com/sustainability/grievance-process/gp-english.aspx>.

The success of the new CGP also is described in Acacia's 2018 Annual Report. In 2017 and 2018, we conducted extensive consultations in relation to the CGP. In 2018, the CGP considered a range of grievances, including 38 security-related human rights grievances. Statistics about how these were resolved are set out in detail in Acacia's Annual Report and a video explaining the process and documenting community satisfaction with it is also available on Acacia's website. While we will continue to work to improve the CGP in a process of continual learning, we certainly will not be suspending it and thereby suspending an important pathway to remedy for members of communities around the Mine who may believe they have suffered impacts as a result of confrontations with mine security or with the Police while trespassing on the mine site.

In conclusion, while the Mine and NMGML are always open to receiving feedback from NGOs, including RAID, we regret that, once again, we must urge RAID to seek to make such feedback constructive and geared towards achieving effective and sustainable benefits for our communities here in Tanzania, rather than serving other agendas. In this spirit, we further urge RAID to advocate responsibly and effectively, including by refraining from basing further correspondence or further efforts to generate publicity for their campaigns on inaccurate and misleading information.

Yours sincerely,



Abraham Van Ghent

North Mara Gold Mine Limited

P.O. Box 422
Tarime, Tanzania

T: +255 28 262 1900/1903, + 255 28 262 1804

T: +255 28 262 1787 | F: +255 28 262 1903



ACACIA

NORTH MARA GOLD MINE

General Manager, North Mara Gold Mine

cc The Directors, Acacia Mining plc

North Mara Gold Mine Ltd

Registered Address: Tan House Tower, Plot Number 34/1, Ursino South, New Bagamoyo Road, Post Office Box 1081, Dar es Salaam

Registered No: 23446

Directors: Peter Geleta (South African/British) | Asa Mwaipopo (Tanzanian) | Abraham Van Ghent (South African)

www.acaciamining.com

