

**Ejido of Carrizalillo  
Municipality of Eduardo Neri  
Guerrero, México**

**Business & Human Rights Resource Centre**

**Attention:** Diana Figueroa Prado (Mexico, Central America & the Caribbean Researcher) and Mauricio Lazala (Deputy Director)

**Request for the right to respond to Equinox Gold's letter published September 23 on your website concerning the company's conflict with our Ejido of Carrizalillo, Guerrero, México**

September 25, 2020

The Ejido of Carrizalillo is grateful for the Business & Human Rights Resource Centre's attention to our case and greatly value the actions of your collective, which help to provide visibility to diverse struggles that communities are facing. In this regard, we would like to make several clarifications concerning the content of Equinox Gold's letter, concerning the issues we are facing. The mine is currently shut down over breaches in the social-cooperation contract that the company had with our ejido, and that is now cancelled, following a lengthy effort starting three months ago to reach agreement over violations in the agreement.

The mine is operating with minimal personnel because the ejido agreed via its community assembly that it would be irresponsible on our part to cause an environmental accident, given the large quantity of ore in process of leaching with sodium-cyanide that, if it were to spill for lack of maintenance or operation of the pumps, would be catastrophic. The ejido believed that it is important to ensure the presence of specialized workers in this area of the mine operations because the company is not permitted to enter onto our lands as a result of the breaches that led us to cancel our contract and, as a result, take back control of our lands.

We would like to point out that, in response to the current "conflict", our shut down of the mine is completely legal according to Mexican agrarian law, which establishes that the lands (where the mine installations are located) are collective property, such that we can regain control over them when the company does not abide by its contract with us. In this case, the conflict concerns our social-cooperation agreement and not the land use agreement. In the agreement, it clearly lays out that, when even one clause is violated, the ejido is within their right to take such action until the conflict is resolved. We are talking about breaches of 70% of the clauses in the agreement, including issues such as ensuring potable water and irregularities and lack of transparency in the provision of basic medical supplies for our primary health care clinic.

Our community does not have community leaders, but rather agrarian representatives who receive their mandate from the general assembly. In other words, we have a collective governance structure in which leaders do not exist, nor are they permitted. As a result, for us, the company's reference [to community leaders] in its public statement downplays the way our community is organized.

Our community is not committing any illegal act, nonetheless, on the company's webpage it criminalizes our action by calling it illegal, describing it as an "illegal road blockade". The company has not made the effort to correct this defamatory statement, even when it stated that it would during its last meeting with us.

During the interactions that we have had so far with the company, with the exception of the last meeting two days ago, it sought to reinstate mining activities before resolving the conflict that led to the shut down. It is clear that the company's social responsibility discourse that it would like us to believe, is far from the immediate urgency that the company feels to assure its investors that their capital is safe. The company's stance justifies paying its rent for use of our land on time, which is the case. But in the meantime, it forgets that people live here, not capital assets. People, who as a result of the breaches in the social-cooperation agreement, bathe ourselves with water rich in arsenic because ensuring a source of potable water (after leaving us without the principle supplies that used to serve the community and contaminating various groundwater supplies) has not taken place a year and a half after the contract was signed, when this was supposed to happen within three months of signing the agreement. There are other contract violations, which clearly are not the priority for any of the people responsible for social issues at Equinox Gold, nor in general management, nor the Vice Presidents. In the community, these acts translate for us as a scornful and degrading attitude on the part of the company toward the communities that it calls an interest group.

The Vice President of External Affairs and Social Responsibility, Georgina Blanco, states in her letter that Equinox Gold takes its social and environmental obligations seriously with the community and its environment, and that it invests in healthcare and infrastructure. From the ejido's perspective, this assertion does not add up because, for example, there is an issue concerning purchase of medicines over which there is little transparency and possible diversion of funds. Despite having pointed this out from the start, the company continues to deliver less medicine than we need at inexplicably high prices. Frankly, we think that corporate social responsibility must be something else, because what they are referring to is far from reality.

Finally, we firmly assert that Equinox Gold does not finance economic growth in the region as it states in its letter. Rather, the company offers to pay for services that it receives from its workers, like any other company, and finances what is stipulated in the social-cooperation agreement, which is its responsibility to do as a result of the harms it may cause to our lands. What we have achieved is not a result of the company's responsibility,

but rather the result of organized struggle, the law, and the fight for our rights. None of this was given to us in good faith.

We hope that at some point the company will show us the same enthusiasm that it shows to its investors, and value social actors in the same way that it values its economic gains. Our community will, of course, continue working to negotiate a more fair agreement and, especially, to ensure that it not be violated again. We remain open to dialogue and negotiations, given that it is also in our interest to return to our daily lives, although this time, not without having first confronted the abuses we consider can be mitigated through a new social-cooperation agreement.

Agrarian Representatives of Carrizalillo