



This is the 1<sup>st</sup> affidavit of Donald Paul Gray in this case and was made on November 24, 2014

> NO. S-144726 VANCOUVER REGISTRY

#### IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

Adolfo Agustín García, Luis Fernando García Monroy, Erick Fernando Castillo Pérez, Artemio Humberto Castillo Herrera, Wilmer Francisco Pérez Martínez, Noé Aguilar Castillo, and Misael Eberto Martínez Sasvin

**PLAINTIFFS** 

AND:

Tahoe Resources Inc.

**DEFENDANT** 

# **AFFIDAVIT**

I, DONALD PAUL GRAY, of 18 calle 24-69 zona 10, Zona Pradera, Torre IV, oficina 1406-1409, Guatemala City, Guatemala, MAKE OATH AND SAY AS FOLLOWS:

- 1. I am currently, as of March 2014, the Vice President of Operations for Tahoe Resources Inc. ("Tahoe"), and since late 2010 I have been either the General Manager and/or Country Manager of Minera San Rafael, S.A. ("MSR"), and as such have personal knowledge of the facts and matters hereinafter deposed to, save and except where same are stated to be made upon information and belief and where so stated I verily believe the same to be true.
- 2. I have worked for MSR since November 2010. At that time, I was hired as General Manager of MSR, which is the title for the operational head of an organization in Guatemala. The title Country Manager is currently used to describe my position as head of MSR. In the months leading to April 2013, I was a Guatemalan resident living full time in Guatemala, where I continue to reside.

3. I have considerable experience in managing mine operations. Over my career, I have held mining operations positions including Vice President of Operations/General Manager in Venezuela, Vice President of Operations/General Manager in Chile, Senior Vice President of South American Operations in Argentina, Bolivia and Chile and Vice President Mining in Bolivia and Spain. I understand the Spanish language, and presently speak and read it well, though my first language is English.

# Overview of Tahoe's Business and the Business of its Subsidiaries

- 4. Tahoe is a silver mining company with its head office and mailing address at 5310 Kietzke Lane, Suite 200 Reno, Nevada.
- 5. Tahoe has no business address in British Columbia.
- Tahoe's registered and records office is at 1500-1055 West Georgia Street, which are the offices of McMillan LLP. As of June 8, 2010, Tahoe's shares were listed for trading on the Toronto Stock Exchange ("TSX"). Tahoe's shares were later listed for trading on the New York Stock Exchange on May 8, 2012. I attach as **Exhibit "A"** to my affidavit a copy of the corporate search results for Tahoe, which I am informed by Tahoe's British Columbia counsel was obtained from the British Columbia corporate registry.
- 7. The only work that Tahoe conducts in Canada is:
  - Tahoe's counsel makes filings in British Columbia on behalf of Tahoe as required by the British Columbia corporate registry.
  - Tahoe is a reporting issuer in all provinces and territories of Canada, with the British Columbia Securities Commission being its principal regulator in Canada. As a reporting issuer it files its continuous disclosure documents, including audited financial statements, with all of the securities commissions in the provinces and territories. There are also certain filings that need to be made in compliance with TSX requirements.

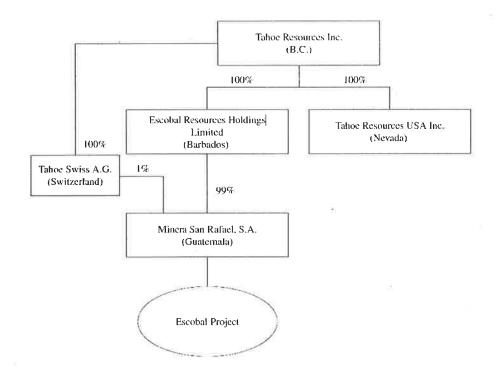
- Tahoe has traditionally held its Annual General Meeting in Canada, either in Toronto or Vancouver, in addition to one or two board meetings per year in Vancouver.
- 8. Tahoe has no officers or employees in British Columbia.
- 9. Except for three independent directors who reside in British Columbia, the directors of Tahoe reside outside of British Columbia, and most are residents of Reno, Nevada. The names, titles, residencies and dates of appointment of the directors and officers of Tahoe are as follows:

Name and Title	Ordinary/Principal Residences	Date of Appointment
Kevin McArthur Vice Chair, CEO and Director	Reno, Nevada	Director – November 10, 2009 CEO – March 30, 2010 Vice-Chair – March 12, 2014
Ron Clayton President and COO	Reno, Nevada	COO – March 30, 2010 EVP and COO – March 8, 2012 President – March 12, 2014
Mark Sadler Vice President and CFO	Reno, Nevada	VP Concentrate Sales and Marketing – February 27, 2012 VP and CFO - March 9, 2013
Brian Brodsky Vice President Exploration	Reno, Nevada	March 30, 2010
Donald Gray Vice President Operations	Guatemala	March 12, 2014
Edie Hofmeister General Counsel, Corporate Secretary and Vice President Corporate Affairs	Reno, Nevada	Corporate Secretary – March 30, 2010 VP, General Counsel and Corporate Secretary – March 3, 2011 VP Corporate Affairs – March 12, 2014

Name and Title	Ordinary/Principal Residences	Date of Appointment
Charles V. Muerhoff Vice President Technical Services	Reno, Nevada	March 6, 2013
Ira M. Gostin Vice President Investor Relations	Reno, Nevada	March 8, 2012
A. Dan Rovig Board Chair	Reno, Nevada	June 8, 2010
Lorne B. Anderson Director	Surrey, BC	April 14, 2010
Paul B. Sweeney Director	Vancouver, BC	April 14, 2010
James S. Voorhees Director	Reno, Nevada	April 14, 2010
John P. Bell Director	Vancouver, BC	June 8, 2010
Kenneth F. Williamson Director	Dwight, Ontario	June 8, 2010
Tanya Jakusconek Director	Toronto, Ontario	May 2, 2011

- 10. Since its inception, Tahoe's principal business has been the acquisition, exploration and development of resource properties for the mining of precious metals.
- 11. Currently, Tahoe's only commercial operation is its interest in the Escobal Mine located in Guatemala, which contains high grade silver, gold, lead and zinc mineralization. Tahoe's principal objective has been to develop the Escobal Project into a world-class, profitable silver mining operation. The Escobal Mine achieved commercial production in 2014. Tahoe's other business activities include ongoing exploration of mineral properties in other parts of Guatemala and the evaluation of other prospective metals mineral acquisitions with a focus on Latin America.

- 12. On May 3, 2010, Tahoe entered into a purchase and sale agreement with Goldcorp Holdings (Barbados) Ltd. and Guatemala Holdings Ltd. (the "Escobal Purchase") to acquire indirectly all of the assets relating to a mineral exploration project which was known at the time as the Escobal Project and which is now known as the Escobal Mine (hereinafter the "Escobal Project" or the "Escobal Mine"). The Escobal Purchase was completed on June 8, 2010.
- 13. Before completion of the Escobal Purchase, the Escobal Project assets were directly owned by MSR, a Guatemala corporation. Before completion of the Escobal Purchase, MSR was owned by Guatemala Holdings Ltd. (Cayman Islands) ("GHL") and Escobal Resources Holdings Limited (Barbados) ("ERHL"). In turn, ERHL was owned by Goldcorp Holdings (Barbados) Ltd. and GHL (the "Vendors"). On the closing date of the Escobal Purchase and pursuant to the Acquisition Agreement, Tahoe acquired from the Vendors all of the issued and outstanding shares of ERHL and the shares of MSR held by GHL.
- 14. MSR continues to own all of the Escobal Project assets, now known as the Escobal Mine.
- 15. On completion of the Escobal Purchase in June 2010, the corporate structure was as follows and remains to this day:



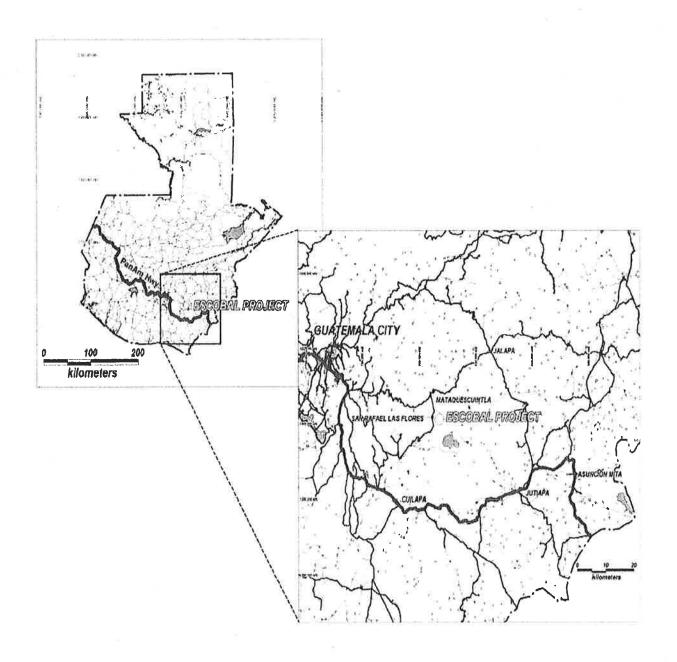
- 16. Tahoe Resources USA Inc. ("Tahoe USA") was incorporated under the laws of Nevada on February 2, 2010 and is based in Reno, Nevada. All officers of Tahoe are employed by Tahoe USA, and Tahoe USA currently has 26 employees, all based in Reno, Nevada. As of April 2013, Tahoe USA had 22 employees. Out of the Reno offices, Tahoe officers and Tahoe USA employees principally provide MSR with technical support for mine operations in terms of mine engineering, mine development, and long-term mine plan. Concentrate logistics and sales are based in Reno.
- 17. As of April, 2013, Ron Clayton, Chief Operating Officer of Tahoe, based in Reno, provided broad direction to me as the General Manager of MSR. Aside from technical operational matters, he had limited involvement in day-to-day decisions and operations of MSR, including security at the Escobal Project. Clayton's main role was to ensure that the mine and mill were designed, developed and constructed on time and on budget, while my role was to generally manage the activities related to running the business in Guatemala.
- 18. Tahoe Swiss A.G. was incorporated under the laws of Switzerland on May 20, 2010. Tahoe Swiss owns less than 1% of the shares of MSR. Switzerland and Guatemala are parties to a bilateral investment treaty to encourage mutual investment and economic collaboration.
- 19. ERHL was incorporated under the laws of Barbados on March 16, 2010 and owns 99% of the shares of MSR.
- 20. MSR was incorporated under the laws of Guatemala on April 5, 2010. In Guatemala, a corporation can be administered by a Sole Administrator and Legal Representative or by a Board of Directors. MSR has a Sole Administrator. The Sole Administrator need not be a shareholder and is the company's legal representative. I was the Sole Administrator during most of 2013 until December, and another individual, Juan Jose Cabrera Alonso, has been the Sole Administrator since that time. I attach as **Exhibit "B"** to my affidavit a copy of a certification of MSR obtained from the Commercial Registry in Guatemala. The Commercial Registry is part of the Ministry of Economy in Guatemala.

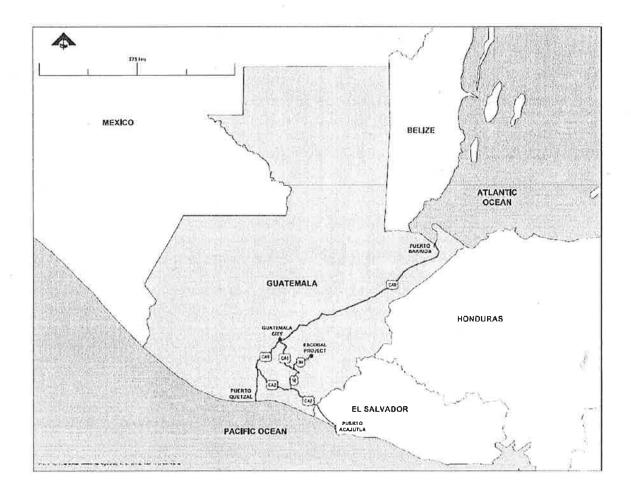
- As of April 2013, MSR had 693 employees, all residents of Guatemala. MSR currently has 894 employees, all residents of Guatemala. MSR has contracts with its employees in Guatemala and all of those contracts are in Spanish.
- 22. In addition to the aforementioned employees of MSR, as of April 2013, there were 28 expatriates who were partners of what is known in Guatemalan law as a Contrato. Currently, there are 29 expatriates who are partners of a Contrato and who provide services to MSR. The Contrato document is in Spanish. My understanding is that the Contrato is an agreement through which a legal representative and manager of the contract (in Spanish called the "gestor") agrees to share the profits and losses of a particular enterprise with the Contrato participants (in this instance, the expatriates). The Contrato invoices MSR for services performed under it. Originally dated July 19, 2011, the Contrato has been revised several times to add or remove expatriate participants and to change certain terms.
- 23. The expatriates that provide services to MSR hold various mid-level management or leadership positions. Alberto Rotondo was a participant in the Contrato and provided services to MSR as Security Manager.
- 24. MSR has two business locations in Guatemala. The first is the Guatemala City office where 12 employees work currently and where 10 worked in April 2013. The employees in the Guatemala City office provided and still provide high level supervision of the Escobal Project (now the Escobal Mine), in areas such as mine operations, security, corporate social responsibility (CSR), politics, law, public relations and human resources. The employees in MSR's Guatemala City office also supervised and still supervise political and CSR activities at national and local levels in Guatemala.
- 25. The second is the Escobal Project (now the Escobal Mine) where 894 employees work currently and 683 worked in April 2013. Those employees were and still are generally responsible for the following:
  - Management and administration of daily operations, accounting/finance, security, health
    and safety, human resources, purchasing, material logistics, employee food/housing,
    environmental compliance, and regional exploration;

- Mine production, maintenance, planning and administration;
- Management of short-term mine plan, mine engineering and mine services, mine geotechnics and hydrology;
- Management of milling and metallurgy processes; and
- Local and regional execution of CSR programs.

#### The Escobal Mine

- 26. The Escobal Mine is located in southeast Guatemala approximately 40 kilometres southeast of Guatemala City and three kilometres east of the town of San Rafael Las Flores which is in the Department of Santa Rosa and immediately adjacent to the Department of Jalapa (see maps below). Department is the term for a state or province in Guatemala. San Rafael Las Flores or SLRF is a municipality in that state with a population of approximately 12,000 people. Approximately 3,000 people in the San Rafael Las Flores municipality reside in the town of San Rafael Las Flores.
- 27. The following are maps that show the location of the Escobal Mine.





- 28. I attach as Exhibit "C" to my Affidavit a series of photographs of the Escobal Project that MSR has in its files and that it uses in publications.
- 29. The state of Guatemala owns all mineral deposits within Guatemala. The Ministry of Energy and Mines in Guatemala ("MEM") may grant reconnaissance, exploration and exploitation licenses to any entity, whether Guatemalan or foreign. It is my understanding that applications for licenses are typically granted on a first-in-time basis, with holders of reconnaissance licenses given priority for an exploration license (over portions of the area covered by the reconnaissance license) and holders of exploration licenses given priority for an exploitation license (over portions of the area covered by the exploration license), so long as valid applications are made before the expiration of the existing license.

- 30. The Escobal Project was originally a project comprised of three exploration licenses called Oasis, Lucero, and Andres, each with an area of 152 square kilometers at the time they were granted on March 26, 2007, August 21, 2007 and November 15, 2007, respectively, to Entre Mares, a corporation wholly-owned by the prior owners of the Escobal Project assets.
- 31. It is my understanding that at the time that Tahoe acquired its interest in MSR, exploration licenses in Guatemala were typically granted for an initial period of three years which can be extended for two additional two-year periods, for a total holding period of seven years. As of 2014, no further time extensions were permitted for the exploration licenses under Guatemalan law. To retain the property, an exploitation license application had to be made by MSR and granted, or a filing for a new exploration license would need to be made. As a precondition for granting an exploitation license, Guatemala's Ministry of Environment and Natural Resources had to approve MSR's Environmental Impact Assessment ("EIA").
- 32. Pursuant to an underground exploration permit, construction of the Escobal Project began in February 2011 with excavation of the principal underground declines. In October 2011, the construction of the plant and surface facilities began. In October 2011, MEM also approved MSR's EIA. On April 3, 2013, MEM granted MSR an exploitation license for the Escobal Project. In about September 2013, construction of the plant was finalized and preliminary production tests were run. Commercial production was achieved in January 2014.
- 33. Under the current mining law, a royalty of 1% is payable at the exploitation stage and shared equally between the state and the municipality where the mining project is situated. The royalty is determined by an affidavit of the volume of the marketed product from mining operations and is based on the value of sale consigned in the national market or international exchange.
- 34. In addition to the mandatory royalty, on April 29, 2013, MSR executed a voluntary royalty agreement in which MSR agreed to pay the federal government and communities in and around the Escobal Project an additional 4% Net Smelter Return ("NSR") royalty on the concentrates sold from the Escobal Mine production ("MSR Royalty Agreement"). On January 30, 2014, MSR made the first royalty payment to the Guatemalan government and a select number of municipalities.

- 35. Separately, MSR also volunteered a 0.5% royalty that is shared by a local association of former owners of the Escobal Project lands sold to MSR (the "Additional Royalty"). The first payment of this Additional Royalty was made in July 2014 via a trust instrument that is administered by an independent party.
- 36. Taken together, under the mandatory and voluntary royalty regimes, 2% of the royalty payment goes to San Rafael Las Flores, 2% benefits the federal government of Guatemala, 1% benefits certain outlying municipalities in the Departments of Santa Rosa and Jalapa, and 0.5% benefits the local landowners.

#### Political Landscape in Guatemala

- 37. Guatemala suffered a civil armed conflict for 36 years, which was finally resolved through a peace agreement in 1996. In 1997, the Congress passed a new mining law that replaced the 1993 law. I understand that the objective of the new mining law was to promote investment in mining and provide a clear framework for investors and the government in relation to mining in Guatemala. The new law decreased the mandatory royalty from prior levels, but eliminated some of the fiscal and tax benefits that mining companies had under the previous law.
- 38. From 2008 to 2011, President Colom of Guatemala imposed a de facto, extralegal moratorium on the issuance of any new reconnaissance, exploration or exploitation mining licenses, including the area covered by the Oasis license. As a result of the moratorium, MEM issued very few new licenses when Colom was President.
- 39. In January 2012, Otto Perez Molina became the new democratically elected President of Guatemala and the extra-legal moratorium on the issuance of new mining permits effectively expired. President Otto Perez Molina committed the government to uphold the mining law as written and during the first quarter of 2012, the government of Guatemala and the Chamber of Industry (a private industry group that promotes economic development in Guatemala) signed an agreement to voluntarily increase royalties on mining. This general agreement eventually gave rise to the MSR Royalty Agreement referenced above. Congress also enacted new legislation as to taxation on business and repatriation of dividends outside of Guatemala.

40. In July 2013, in what I understand was an effort to promote consensus in Congress and to advance support for mining in Guatemala, the President proposed to Congress that it approve a two-year moratorium on the granting of new mining licenses. The government assured MSR that this action in no way affected the Escobal exploitation license or MSR's existing exploration licenses, which in fact has been the case.

# MSR's Legal Experience in Guatemala

- 41. MSR has substantial experience with the Guatemalan legal system, including litigating cases in a variety of courts. To my knowledge, Tahoe has never been a party to litigation in Guatemala, but Tahoe is aware of and is kept informed about the various lawsuits in which MSR has been involved.
- 42. For instance, MSR has been in the Court of Appeals in Guatemala in a hearing where the court concluded on July 23, 2013 that MEM should have conducted a hearing of a written opposition to the Escobal Project exploitation license during the permitting application process. The Court did not invalidate or comment on the validity of the Escobal Project exploitation license in its decision. The Court required MEM to hold an administrative hearing addressing the substance of the opposition under the 1997 mining law. MEM appealed the decision to the Constitutional Court.
- 43. Other examples of recent litigation involving MSR in Guatemala are: (i) a claim against MSR by an organization called CALAS in respect of alleged industrial contamination committed by MSR in its operation of the mine; (ii) criminal proceedings in respect of kidnapping, threatening and other violence against MSR employees or contractors; (iii) proceedings in respect of MSR's attempt to construct a power line and in respect of the licenses and permissions required for such construction; and (iv) arbitration by a MSR contractor against MSR for alleged unpaid bonuses and related issues as to forum for the arbitration.

# MSR and Tahoe Corporate Social Responsibility Initiatives

44. As a demonstration of genuine commitment to the region and sensitivity to socioeconomic issues in the communities in which MSR operates, numerous CSR initiatives have been implemented in Guatemala since Tahoe purchased its interest in the Escobal Project in June 2010.

- 45. Tahoe's role in CSR has been to set policies to guide MSR's CSR programs, which have evolved as the companies' businesses have developed. In April 2010, Tahoe's Board of Directors formed a Health, Safety, Environment and Community ("HSEC") Committee to oversee health, safety, environmental and other community issues at a high level. I attach as **Exhibit "D"** to my Affidavit a copy of the HSEC Committee Charter which remains in effect. In February, 2011, Tahoe developed a CSR Policy for implementation by Tahoe and MSR. I attach as **Exhibit "E"** to my Affidavit a copy of that policy, which has remained unchanged since October 2011. I also attach as **Exhibit "F"** to my Affidavit a copy of Tahoe and MSR's Code of Conduct that became effective April 2010.
- 46. In about mid-April 2013, Tahoe established a CSR Steering Committee made up of myself, MSR's Director General and executive officers of Tahoe. The formation of the CSR Steering Committee resulted in part from the receipt of the exploitation license on April 3, 2014 and reflected a transition as Tahoe moved from a junior exploration company without an exploitation license to a silver company ready to begin production.
- 47. Starting in June 2013, Tahoe retained the Business for Social Responsibility ("BSR"), an international San Francisco-based CSR consultancy, to help guide the companies' CSR programs in Guatemala. BSR's mandate included the development of strategies to enhance and formalize MSR's and Tahoe's alignment with current international practices in CSR with particular reference to the Equator Principles, the Guiding Principles on Business and Human Rights and the Voluntary Principles on Security and Human Rights.
- 48. I oversee all national and local CSR initiatives on behalf of MSR. In 2012 and 2013, Javier Fortin, Manager of Community Relations and Development for MSR in Guatemala, and Camilo Medina, Director External and Regional Affairs for MSR, led MSR's CSR efforts in Guatemala. Fortin and Medina are Guatemalan nationals and reside in Guatemala. Starting in February 2013, they both reported to Juan Jose Cabrera, who in turn reported to me. MSR hired Guillermo Monroy as its Director of Sustainability in October 2013. Currently, Fortin and Medina report to Monroy, who reports to me.

- 49. By way of example, some of the key completed and on-going CSR projects undertaken by MSR through 2013 included (i) local education, training and health initiatives, (ii) MSR royalty payments, planning and capacity-building for local expenditure of royalty funds, (iii) local stakeholder mapping and engagement and (iv) community outreach. I attach as **Exhibit** "G" to my Affidavit a copy of the 2013 MSR Social Report which summarizes MSR's CSR philosophy and key initiatives in 2013.
- 50. As mentioned above, 96% of MSR's 894 employees are Guatemalan and out of this more than half reside in Santa Rosa. Since MSR started its operations in San Rafael Las Flores, hundreds of locals have experienced an improved quality of life, through higher wages and full-time job opportunities.

#### Security and Other Operations in Guatemala

- 51. Since 2010, MSR's security activities and decisions have occurred in Guatemala and have been carried out by MSR employees or contractors working in Guatemala.
- 52. Guatemala has one of the highest crime rates in Central America. Given this fact, businesses commonly employ security firms to protect employee and company assets. Since its inception, MSR has taken measures to obtain security advice and services.
- 53. In 2011, MSR engaged International Security and Defense Management, LLC ("ISDM"), a security and defense management company with global operations, based in California, to assess its security needs and requirements during the construction phase of the Escobal Project. As part of that engagement, ISDM managed a process of soliciting proposals for security services for MSR and made recommendations. MSR issued a document called "Bases Administrativas del Concurso de Servicios" in connection with that solicitation. It sets out the type and scope of services sought by MSR. The document is several pages long and is in Spanish.
- As a result of the solicitation process, MSR came to contract with Grupo Golan, formally called Alfa Uno, Sociedad Anonima ("Grupo Golan") and retained it to develop and implement MSR's security plan. Grupo Golan is a well established world renowned security company that specializes in providing security products and services to multinational organizations. Grupo

Golan has offices and operations in Guatemala. I attach as **Exhibit "H"** to my Affidavit a copy of a print out that I took from Grupo Golan's website about its facilities security operations, which is primarily the type of services that Grupo Golan provided to MSR during the period before, during and after the incident at the Escobal Project site on April 27, 2013.

- 55. Grupo Golan's contract with MSR is dated November 2011. I believe it was amended at least once, and it sets out the terms in relation to the security services that Grupo Golan was to provide for the Escobal Project. It is in Spanish and several pages long.
- 56. Rotondo initially provided services to MSR through ISDM. In 2012, MSR engaged him as its security manager through the Contrato. MSR received and reviewed information about Rotondo's experience and qualifications, including information from ISDM, as part of the due diligence that led MSR to retain his services.
- 57. As Security Manager, Rotondo was required to manage MSR's third party contracts related to security for the Escobal Project. MSR employed two or three other Guatemalan nationals in roles to support Rotondo.
- 58. As part of his responsibilities, Rotondo managed MSR's contract with Grupo Golan and interacted with various Grupo Golan personnel for that purpose. Rotondo kept me regularly informed on security matters. I took no specific direction from Clayton regarding MSR security activities, but I kept Clayton generally informed of security engagements and developments.
- 59. Grupo Golan established and maintained a security operations centre at the Escobal Project and another in Guatemala City out of its city offices. At various points in time under its contract, Grupo Golan provided various security supervisors, and provided approximately 80 to 125 security guards who guarded the Escobal Project entrance, the Project perimeter and the concentrate transport roads to and from the site. Those guards worked in shifts of approximately 20 to 30 guards. There are now approximately 30 buildings at the mine site on approximately 2.7 square kilometers of land. I understand that the security personnel engaged by Grupo Golan to provide services to MSR were Spanish-speaking Guatemalan nationals. In my experience, MSR and contract security personnel communicated both orally and in writing in Spanish in respect of security matters.

- 60. In early 2013, MSR retained Peter Snell to advise on security matters. Snell was the General Manager of a security company called Yantarni. At that time, Snell was in the process of forming Centurion Security S.A. ("Centurion"), a new security company that would provide facility protection services.
- 61. From my dealings with Centurion and my work generally in Guatemala, my understanding is that under a 2010 Guatemalan law, corporations that want to provide certain types of security services in Guatemala must meet certain requirements before obtaining a license to operate. I understand the law is called "Ley que regula los Servicios de Seguridad Privada, Decreto 52-2010", which in English means "Law that regulates the Services of Private Security, Decree 52, 2010". For example, I have looked at section 51, which, when translated appears to provide: "Training. The providers of private security services, in accordance with the classification established in section 44 of this Law, and besides of what is established in section 41 of this Law, shall:... c) Provide theoretical and practical training, in accordance to international standards applicable to the matter, on the use of force and the use of weapons."
- 62. I understand the licensing process required Centurion to obtain weapons permits and to engage in individual guard testing, training and certification. I understand that Grupo Golan had a license to operate that pre-existed the new Guatemalan law for security providers, and the government allowed Grupo Golan to continue to operate after the new law was enacted while it went through the process of compliance with the new legal requirements. I believe Centurion is a signatory to the International Code of Conduct ("ICoC") for Private Security Service Providers which "is a multi-stakeholder initiative convened by the Swiss government" that "aims to set private security industry principles and standards based on international human rights and humanitarian law, as well as to improve accountability of the industry by establishing an external independent oversight mechanism", as taken from their website.
- 63. In about June 2013, Centurion was retained to manage the Grupo Golan contract. In April 2014, MSR terminated its contract with Grupo Golan and retained Centurion to provide complete facility protection services at the Escobal Mine.

# Events Leading up to and Including the April 27, 2013 Incident

- 64. The following is my understanding of various events leading to the April 27, 2013 incident. I believe that the people who have direct knowledge and direct experience with these events are individuals working and/or residing in Guatemala.
- On the morning of September 17, 2012, a work crew contracted by MSR commenced activities to install power poles along a highway. By the afternoon all work was stopped when dozens of people threatened the work crew with violence. Police, human rights officials and a judge attempted to intercede. After reviewing the situation in chambers, a judge appeared on the scene and declared the activities of the protesters to be unlawful. For several hours, protesters held work crew members, the judge and others at the site against their will, subjecting them to verbal abuse and pelting them with rocks.
- 66. On the morning of September 18, 2012, multiple armed individuals reorganized at the Escobal Project entrance. Later in the day, this group broke through the gate and burned and damaged property and structures at the site. Grupo Golan security and local police were on site. One of the armed individuals and two policemen sustained non-life-threatening injuries.
- 67. On January 12, 2013, soon after midnight, armed individuals ambushed a Grupo Golan security patrol at the Escobal Project, killing two Grupo Golan security guards and injuring approximately seven others. The Grupo Golan security team ultimately repelled the armed individuals who left behind numerous automatic weapons and incendiary devices. This was one of three attacks against mining entities in Guatemala that week. Guatemalan authorities commenced an investigation into the murder of the Grupo Golan guards.
- 68. On April 27, 2013, I understand that protesters armed with sticks, clubs, machetes and rocks positioned themselves at the Escobal Project entrance, impeding traffic. I understand that an altercation involving the protesters and security occurred. The protest was one of several in the area after the exploitation license for the Escobal Project was issued on April 3, 2013.
- 69. Other reported events in the area around this time frame occurred away from the Escobal Project. On April 29, four buses brought protesters to the area. In an ambush of police officers attempting to rescue a kidnapped MSR contractor, one officer was shot and killed. I attach as

Exhibit "I" to my Affidavit a copy of a news account of this incident that I took from a Guatemalan news publication called Prensa Libre dated May 1, 2013, with an article titled MP pide capturar a 18 por retención, which, translated into English means "District Attorney's Office requires the arrest of 18 people in connection with kidnapping", and which provides an account of this incident.

- 70. In addition, in an incident unrelated to the Escobal Project, a mob in Jalapa captured and disarmed 23 police officers on April 29, 2013 after police entered the area to investigate an extortion ring. I attach as **Exhibit "J"** to my Affidavit a copy of a news account of this incident that I took from Guatemalan news publication called El Periodico dated April 30, 2013 with an article titled *Pobladores de Xalapan retienen a 23 polícias; Ministro los acusa de plagio* which translates to "People from Xalapan withhold 23 policemen; the Minister accuses them of kidnapping" and which provides an account of this incident.
- 71. Two days after the April 27th incident, Rotondo resigned from the Contrato and ended his MSR engagement.
- 72. Guatemalan prosecuting authorities known as the Ministerio Publico later charged Rotondo with causing injuries and obstruction of justice. The charges remain unproven and the Court in Guatemala has yet to make a ruling about whether he should stand trial on the charges.
- 73. President Perez Molina publically linked various incidents of lawlessness in the region to organized crime and "external groups", which I understand to mean groups from outside of the community of San Rafael Las Flores. I attach as **Exhibit "K"** to my Affidavit a copy of a news account of this incident that I took from a Guatemalan news publication called Prensa Libre dated May 3, 2013 with an article titled *Gobierno insiste en vinculación criminal* which translates to "Government insists that there is a criminal link". This article refers to the government's statement of its conclusion about the involvement of external groups.
- 74. In late May, the government added more police to the existing permanent police forces in several municipalities in the region, including San Rafael Las Flores. There has been significantly decreased tension since that time.

- 75. The Ministerio Publico is still investigating the April 2013 incident with MSR's full cooperation. Based on MSR's dealings with the Ministerio Publico in respect of the charges against Rotondo, I understand that after the April 27th, 2013 incident, the official and independent forensics body in Guatemala, the National Institute of Forensic Science ("INACIF"), conducted a review of evidence from the incident. My understanding is that INACIF reports are technical in nature and that they are prepared in Spanish.
- 76. I swear this Affidavit in support of Tahoe's jurisdictional application in this proceeding.

**SWORN BEFORE ME** at Reno, Nevada, this 24th day of November, 2014.

A Notary or Commissioner for taki

A Notary or Commissioner for taking Affidavits in Reno, Nevada

HEIDI NASH Notary Public - State of Nevada Appointment Recorded in Washoe County No: 91-2645-2 - Expires January 1, 2016 DONALD PAUL GRAY

This is Exhibit "A" referred to in the affidavit of Donald Paul Gray sworn before me in Reno, Nevada, this 24th day of November, 2014.

A Notary or Commissioner for taking Affidavits in the State of Nevada.



HEIDI NASH

Notary Public - State of Nevada Appointment Recorded in Washoe County No: 91-2645-2 - Expires January 1, 2016



Mailing Address: PO Box 9431 Stn Prov Govt Victoria BC V8W 9V3 www.corporateonline.gov.bc.ca Location: Q Q 2 2nd Floor - 940 Blanshard Street Victoria BC 1 877 526-1526

# **BC Company Summary**

For TAHOE RESOURCES INC.

Date and Time of Search:

November 14, 2014 11:52 AM Pacific Time

**Currency Date:** 

November 05, 2014

**ACTIVE** 

**Incorporation Number:** 

BC0865983

Name of Company:

TAHOE RESOURCES INC.

Recognition Date and Time:

Incorporated on November 10, 2009 04:17 PM Pacific

In Liquidation: No

Time

Last Annual Report Filed:

November 10, 2013

Receiver:

No

COMPANY NAME INFORMATION

**Previous Company Name** 

CKM RESOURCES INC.

**Date of Company Name Change** 

January 13, 2010

REGISTERED OFFICE INFORMATION

Mailing Address:

1500 ROYAL CENTRE

1055 WEST GEORGIA STREET, P.O. BOX 11117

VANCOUVER BC V6E 4N7

CANADA

**Delivery Address:** 

1500 ROYAL CENTRE

1055 WEST GEORGIA STREET, P.O. BOX 11117

VANCOUVER BC V6E 4N7

CANADA

RECORDS OFFICE INFORMATION

Mailing Address:

1500 ROYAL CENTRE

1055 WEST GEORGIA STREET, P.O. BOX 11117

VANCOUVER BC V6E 4N7

CANADA

Delivery Address:

1500 ROYAL CENTRE

1055 WEST GEORGIA STREET, P.O. BOX 11117

VANCOUVER BC V6E 4N7

CANADA

DIRECTOR INFORMATION

Mailing Address:

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

UNITED STATES

**Delivery Address:** 

5310 KIETZKE LANE

SUITE 200

RENO NV 89511

UNITED STATES

Last Name, First Name, Middle Name:

Bell, John

Mailing Address:

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

**UNITED STATES** 

**Delivery Address:** 

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

UNITED STATES

Last Name, First Name, Middle Name:

Jakusconek, Tanya Marie

**Mailing Address:** 

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

**UNITED STATES** 

**Delivery Address:** 

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

**UNITED STATES** 

Last Name, First Name, Middle Name:

McArthur, C. Kevin

Mailing Address:

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

**UNITED STATES** 

**Delivery Address:** 

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

UNITED STATES

Last Name, First Name, Middle Name:

Rovig, A. Dan

Mailing Address:

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

UNITED STATES

**Delivery Address:** 

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

UNITED STATES

Last Name, First Name, Middle Name:

Sweeney, Paul B.

Mailing Address:

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

UNITED STATES

**Delivery Address:** 

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

**UNITED STATES** 

004

# Last Name, First Name, Middle Name:

Voorhees, James S.

#### Mailing Address:

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

UNITED STATES

# **Delivery Address:**

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

**UNITED STATES** 

#### Last Name, First Name, Middle Name:

Williamson, Kenneth F.

#### Mailing Address:

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

**UNITED STATES** 

#### **Delivery Address:**

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

**UNITED STATES** 

# OFFICER INFORMATION AS AT November 10, 2013

#### Last Name, First Name, Middle Name:

Brodsky, Brian

Office(s) Held: (Other Office(s))

#### Mailing Address:

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

UNITED STATES

#### **Delivery Address:**

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

**UNITED STATES** 

### Last Name, First Name, Middle Name:

Clayton, Ronald

Office(s) Held: (Other Office(s))

#### Mailing Address:

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

UNITED STATES

#### **Delivery Address:**

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

**UNITED STATES** 

#### Last Name, First Name, Middle Name:

Gostin, Ira

Office(s) Held: (Other Office(s))

#### Mailing Address:

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

UNITED STATES

**Delivery Address:** 

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

**UNITED STATES** 

Last Name, First Name, Middle Name:

Hofmeister, Edie

Office(s) Held: (Other Office(s), Vice President)

Mailing Address:

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

**UNITED STATES** 

**Delivery Address:** 

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

**UNITED STATES** 

Last Name, First Name, Middle Name:

McArthur, C. Kevin

Office(s) Held: (CEO, President)

Mailing Address:

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

UNITED STATES

**Delivery Address:** 

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

**UNITED STATES** 

Last Name, First Name, Middle Name:

Sadler, Mark

Office(s) Held: (CFO, Vice President)

Mailing Address:

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

**UNITED STATES** 

**Delivery Address:** 

5310 KIETZKE LANE

SUITE 200

**RENO NV 89511** 

**UNITED STATES** 





DANILO PIEDERNA

₹0. Bo.

HOJA No. 1 DE 8

# 26483-2014 CERTIFICACION

INFRASCRITO REGISTRADOR MERCANTIL GENERAL DE LA REPUBLICA, CERTIFICA: QUE EN LOS REGISTROS ELECTRONICOS DE ESTA INSTITUCION, SE ENCUENTRA LA INSCRIPCION No. 86757 FOLIO 428 LIBRO 180 DEL EXPEDIENTE No. 11935-2010 DE SOCIEDADES MERCANTILES, POR LO QUE LA PRÉSENTE HOJA Y LAS SIGUIENTES SON AUTENTICAS, POR HABER SIDO REPRODUCIDAS DE SU IMAGEN ELECTRONICA Y EXPEDIENTE FISICO POR EL CERTIFICADOR RESPONSABLE DE ESTE REGISTRO DE LA INSCRIPCION RELACIONADA, LAS CUALES RUBRICO Y SELLO EN ESTE MISMO ACTO. Y PARA LOS USOS LEGALES QUE AL INTERESADO CONVENGA, SE EXTIENDE, FIRMA Y SELLA ESTA CERTIFICACIÓN EN OCHO HOJAS, INCLUYENDO LA PRESENTE, EN PAPEL ESPECIAL DEL REGISTRO MERCANTIL, EN LA CIUDAD DE GUATEMALA, EL TREINTA DE OCTUBRE DEL AÑO DOS MIL CATORCE. HNOS. Q. 30.00 ARTICULO 3º ACUERDO GUBERNATIVO 207-93.

Just Luis de la Roca

Just Luis de la Roca

Secretario mercarnii

Secretario mercarnii

This is Exhibit "B" referred to in the affidavit of Donald Paul Gray sworn before me in Reno, Nevada, this 24th day of November, 2014.

A Notary or Commissioner for taking Affidavits in the State of Nevada.



Reporte : ROR\_clso

# REGISTRO MERCANTIL Reporte de Sociedades

Fecha :

30/10/2014

Pagina:

Datos de la Inscripción

86623

Tipo Titular

Registro 86757

Follo 428

Libro 180

Fecha 11/03/2010 Status V

HOJA No. 2 DE 8

Expediente 11935

Año 2010

Caja No.

Tipo de Sociedad SOCIEDAD ANONIMA Extranjera

Ν

Datos de la Sociedad

Razón Social : MINERA SAN RAFAEL

Nombre Comercial MINERASA

Sede Dirección: 18 CALLE 24-69 ZONA 10, EMPRESARIAL ZONA PRADERA, TORRE IV NIVEL 14 OF. 1406

Departamento/Municipio: GUATEMALA/GUATEMALA

Telefono:

Rep. Legal : ADMINISTRADOR UNICO, GERENTE GENERAL, PRESIDENTE DEL CONSEJO DE

**ADMINISTRACION** 

Sector/Rama:

LA EXPLORACIÓN Y EXPLOTACIÓN DE TODA CLASE DE MINERALES; SU

Tipo de Plazo Indefinido

COMERCIALIZACION, COMPRA Y VENTA, SU IMPORTACIÓN Y EXPORTACIÓN; TODA CLASE DE ESTUDIOS RELACIONADOS CON LA MINERIA; COMPRA Y VENTA DE TODA CLASE DE MAQUINARIA, VEHICULOS, UTILES Y ENSERES QUE SEAN NECESARIOS EN LA MINERIA, TANTO PARA EXPLORAR COMO PARA EXPLOTAR LOS MINERALES, ASI COMO TODA CLASE DE REPUESTOS Y ACCESORIOS PARA LOS

MISMOS, SU IMPORTACIÓN Y COMERCIALIZACION

Capital Social

Meses:

Autorizado:

5,000,00

Años:

Suscrito: Pagado:

5,000.00

Datos Adicionales de la Sociedad

Inicio de Actividad: 11/03/2010

Inscrip. Provisional 11/03/2010

ACCIONISTAS, CONTADOR, AUDITOR

Escritura

Feches

Número

Fecha

05/03/2010

Notario

Nombre Notario: Apellido Notario:

Apellido Casada

Acciones

Número:

200,000

Clase: NOMINATIVAS

Valor:

1,000.00

Organo de Vigilancia

Inscrip. Definitiva: 05/04/2010

Consejo de Administración

Organo de Administración

CONSEJO DE

ADMINISTRACION, ADMINISTRADOR

UNICO

Facultad de los Administradores

Datos de la Inscripcion Provisional

Observaciones Generales

SOCIOS FUNDADORES: JORGE ASENSIO AGUIRRE Y JULIA YOLANDA RIVERA (ÚNICO APELLIDO).

Inscripción Electrónica

GUATEMALA II DE MARZO DE 2010.

EL REGISTRO MERCANTIL, CON BASE AL TESTIMONIO DE LA ESCRITURA NO. 15, AUTORIZADA EN LA CIUDAD DE GUATEMALA EL 05 DE MARZO DE 2010. POR EL NOTARIO MARCELO CHARNAUD BRAN, PRESENTADO A ESTE REGISTRO EL 08 DE MARZO DE 2010. A LAS 16:03 HORAS, INSCRIBE PROVISIONALMENTE BAJO EL NO. 86757. FOLIO: 428. LIBRO: 180, DE SOCIEDADES MERCANTILES, EXPEDIENTE NO. 11935-2010, LA SOCIEDAD DENOMINADA MINERA SAN RAFAEL SOCIEDAD ANONIMA, DE NOMBRE COMERCIAL MINERASA, DOMICILIO: DEPARTAMIENTO DE GUATEMALA, GUATEMALA, SEDE: 5 AVENIDA 5-55 ZONA 14, TORRE I NIVEL 6, EUROPLAZA WORLD BUSINESS CENTER, OBJETO LA EXPLORACIÓN Y EXPLOTACIÓN DE TODA CLASE DE MINERALES; SU COMERCIALIZACION, COMPRA Y VENTA, SU IMPORTACIÓN Y EXPORTACIÓN; TODA CLASE DE ESTUDIOS RELACIONADOS CON LA MINERIA; COMPRA Y VENTA DE TODA CLASE DE MAQUINARIA, VEHICULOS, UTILES Y ENSERES QUE SEAN NECESARIOS EN LA MINERIA, TANTO PARA EXPLORAR COMO PARA EXPLOTAR LOS MINERALES, ASI COMO TODA CLASE DE REPUESTOS Y ACCESORIOS PARA LOS MISMOS, SU IMPORTACIÓN Y COMERCIALIZACION; Y OTROS. QUE CONSTAN EN LA ESCRITURA SOCIAL. PLAZO INDEFINIDO. CAPITAL SOCIAL AUTORIZADO: Q200,000,000,00, SUSCRITO: Q5,000.00, IVAGADO: Q5,000.00, DIVIDIDO EN: 200000. ACCIONES DE Q1,000 00 CADA UNA. ORGANO DE ADMINISTRACION CONSEJO DE ADMINISTRACION, ADMINISTRADOR UNICO, REPRESENTANTE LEGAL ADMINISTRADOR UNICO, GERENTE GENERAL, PRESIDENTE DEL CONSEJO DE ADMINISTRACION, ORGANO DE VIGILANCIA ACCIONISTAS, CONTADOR, AUDITOR.

SECONALIES VALLEY DAMING ALEGRACA Vo. Bo.

Peral

Reporte : ROR\_clso

REGISTRO MERCANTIL Reporte de Sociedades Fecha:

30/10/2014

Pagina:

 $\frac{7}{00}$ 

Datos de la Inscripción Definitiva

Inscripcion Electrónica

Fecha: HOJA/No. 3 DE 8

EN ESTA FECHA SE INSCRIBE DEFINITIVAMENTE LA SOCIEDAD

MINERA SAN RAFAEL, SOCIEDAD ANONIMA, BAJO NO. DE REGISTRO: 86757 FOLIO: 428, LIBRO: 180. CUYOS

EFECTOS SE RETROTRAEN A LA FECHA DE INSCRIPCION PROVISIONAL ARTOS. 14 Y 343 DEL DTO.270 DEL

CONGRESO. GUATEMALA 05 DE ABRIL DE 2010.

Datos de la Modificación

Tipo 82

MODIFICACION PROVISIONAL DE CLAUSULA (S) DE LA ESCRITURA CONSTITUTIVA

#### Modificaciones

EL REGISTRO MERCANTIL CON BASE EN EL TESTIMONIO DE LA ESCRITURA NO. 34 AUTORIZADA EN LA CIUDAD DE GUATEMALA EL 01 DE JULIO DE 2010, POR EL NOTARIO MARCELO CHARNAUD BRAN, INSCRIBE PROVISIONALMENTE LA MODIFICACION NÚMERO 1 DE LA ENTIDAD MINERA SAN RAFAEL, SOCIEDAD ANONIMA CON REGISTRO 86757 FOLIO 428 LIBRO 180 DE SOCIEDADES MERCANTILES, EN VIRTUD DE LO SIGUIENTE: EN ASAMBLEA GENERAL EXTRAORDINARIA TOTALITARIA DE ACCIONISTAS SE ACORDO MODIFICAR LAS CLAUSULAS: SEPTIMA: DE LAS ACCIONES: I) CLASES DE ACCIONES: LAS ACCIONES SON UNICAMIENTE NOMINATIVAS; OCTAVA. EN LA FORMA Y DEMAS TERMINOS CONTENIDOS EN DICHO INSTRUMENTO LEGAL, GUATEMALA IS DE JULIO DE 2010. EXP. 11935-10.

UNIVERSITY VALERBUIGH

PARTILO FISUEROA

Lic. Juan Luis de la Roca Secretario General Registro Mercantil

₩. Во.

, Reporter: ROR\_clso

REGISTRO MERCANTIL

Reporte de Sociedades

Fecha 🛚 :

30/10/2014

Pagina :

009

Datos de la Modificación

HOJA No. 4 DE 8

Tipo 83

MODIFICACION DEFINITIVA DE CLAUSULA (\$) DE LA ESCRITURA CONSTITUTIVA

Modificaciones

SE INSCRIBE DEFINITIVAMENTE LA MODIFICACION NUMERO I DE CAMBIO DE LA CLASE DE ACCIONES, DE LA SOCIEDAD DENOMINADA MINERA SAN RAFAEL, SOCIEDAD ANONIMA ARTICULO 343 DEL DECRETO 2-70 DEL CONGRESO. GUATEMALA 04 DE AGOSTO DE 2010. EXP. 11935-2010.

JACORIANS VALENDUS

DANIES PIGUEROA

Lic. Juan Luis de la R. Secretario General Registro Mercantil

Reporte -: ROR\_ciso

REGISTRO MERCANTIL

Reporte de Sociedades

Fecha 🖫

39/10/2014

Pagina:

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Datos de la Modificación

010

HOJA No. 5 DE 8

Tipo 35

INSCRIPCION DE CAMBIO DE DIRECCION

#### Modificaciones

AL REGISTRO MERCANTIL, SE SOLICITO QUE SE INSCRIBA EL CAMBIO DE DIRECCION DE LA SOCIEDAD DENOMINADA: MINERA SAN RAFAEL Y DE NOMBRE COMERCIAL; MINERASA, INSCRITA BAJO EL NO.: 86757 FOLIO: 428 LIBRO: 180. EXPEDIENTE NO. 11935-2010, SIENDO SU NUEVA DIRECCION: KM. 8.6 CARRETERA ANTIGUA A EL SALVADOR CENTRO CORPORATIVO MUXBAL TORRE OESTE OF. 503 Y 504 DEPARTAMENTO: GUATEMALA MUNICIPIO: SANTA CATARINA PINULA. GUATEMALA 21 DE SEPTIEMBRE DE 2010.

Deptarble

DANILO FIGUROA. Vo. Bo.

Yo. Bo.

Lic. Juan Luis de la Roca

Registro Mercantil

Reporte,: ROR\_clso

REGISTRO MERCANTIL Reporte de Sociedades

Fecha :

30/10/2014

Pagina:

011

Datos de la Modificación

HOJA No. 6 DE 8

Tipo 35

INSCRIPCION DE CAMBIO DE DIRECCION

#### Modificaciones

AL REGISTRO MERCANTIL, SE SOLICITO QUE SE INSCRIBA EL CAMBIO DE DIRECCION DE LA SOCIEDAD DENOMINADA: MINERA SAN RAFAEL Y DE NOMBRE COMERCIAL: MINERASA, INSCRITA BAJO EL NO.: 86757 FOLIO: 428 LIBRO: 180. EXPEDIENTE NO. 11935-2010, SIENDO SU NUEVA DIRECCION: 18 CALLE 24-69 ZONA 10, EMPRESARIAL ZONA PRADERA, TORRE IV NIVEL 14 OF. 1406 DEPARTAMENTO: GUATEMALA MUNICIPIO: GUATEMALA. GUATEMALA 06 DE NOVIEMBRE DE 2013.

MORRISTO VALUED

DANIES PIECESCA Vo. Ba.

Lic. Juan Luis de la Roca Secretario General Registro Mercantil

Reporte : ROR\_clso

REGISTRO MERCANTIL

Reporte de Sociedades

Fecha:

30/10/2014

Pagina:

1

012

Datos de la Modificación

HOJA No. 7 DE 8

Tipo 82

MODIFICACION PROVISIONAL DE CLAUSULA (S) DE LA ESCRITURA CONSTITUTIVA

#### Modificaciones

EL REGISTRO MERCANTIL CON BASE EN EL TESTIMONIO DE LA ESCRITURA NO. 21 AUTORIZADA EN LA CIUDAD DE GUATEMALA, EL 10 DE MARZO DE 2014 POR EL NOTARIO JUAN JOSE QUESADA KRIEGER, INSCRIBE PROVISIONALMENTE LA MODIFICACIÓN NO.2 DE CLÁUSULAS, DE LA ENTIDAD MINERA SAN RAFAEL, SOCIEDAD ANONIMA INSCRITA AL REGISTRO NO. 86757 FOLIO 428 LIBRO 180 DE SOCIEDADES MERCANTILES, EN VIRTUD DE LO SIGUIENTE: EN ASAMBLEA GENERAL EXTRAORDINARIA TOTALITARIA DE ACCIONISTAS SE ACORDÓ MODIFICAR LAS CLÁUSULAS DÉCIMA TERCERA: DE LA GERENCIA Y LA CLÁUSULA DECIMA CUARTA: REPRESENTACIÓN LEGAL. EN LA FORMA Y DEMÁS TÉRMINOS CONTENIDOS EN DICHO INSTRUMENTO LEGAL. GUATEMALA 01 DE ABRIL DE 2014. EXP. 11935-2010.

DARTIO FISHEROA
Vo., Ro.



Reporte.: ROR clso

**REGISTRO MERCANTIL** 

Reporte de Sociedades

Fecha :

30/10/2014

Pagina:

1 7

013

Datos de la Modificación

HOJA No. 8 DE 8

Tipo 83

MODIFICACION DEFINITIVA DE CLAUSULA (S) DE LA ESCRITURA CONSTITUTIVA

Modificaciones

SE INSCRIBE DEFINITIVAMENTE LA MODIFICACION # 2 DE CLAUSULAS DE LA SOCIEDAD DENOMINADA MINERA SAN RAFAEL, SOCIEDAD ANONIMA ARTICULO 343 DEL DECRETO 2-70 DEL CONGRESO. GUATEMALA 12 DE MAYO DE 2014. EXP. 11935-2010.

JAQUELINE VALENCEUR

DYNITO LIQUIDOL

Vo. Bo.

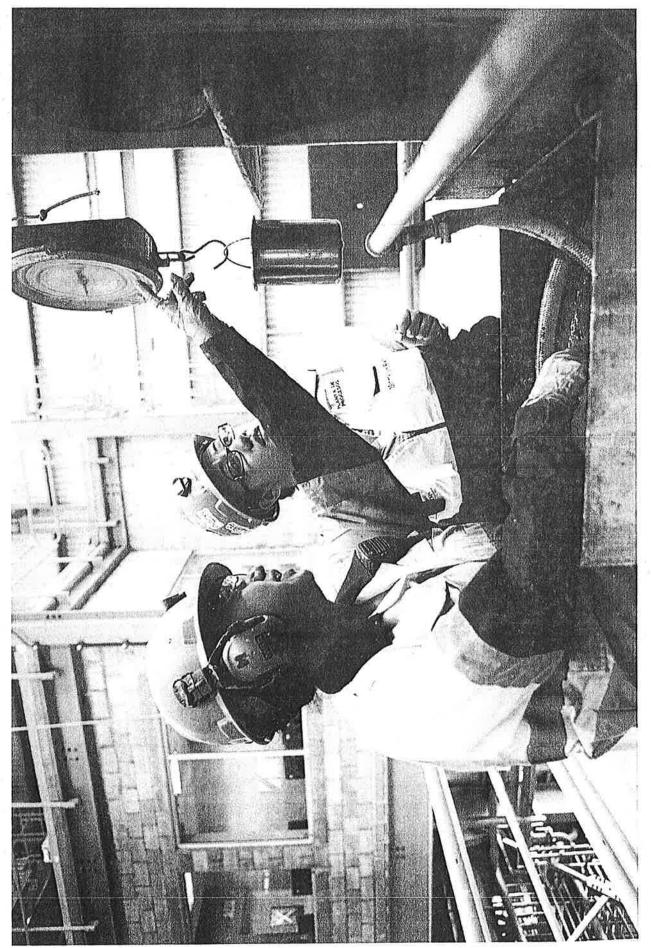
Lic. Juan Luis de la Roc Secretario General Registro Mercantil

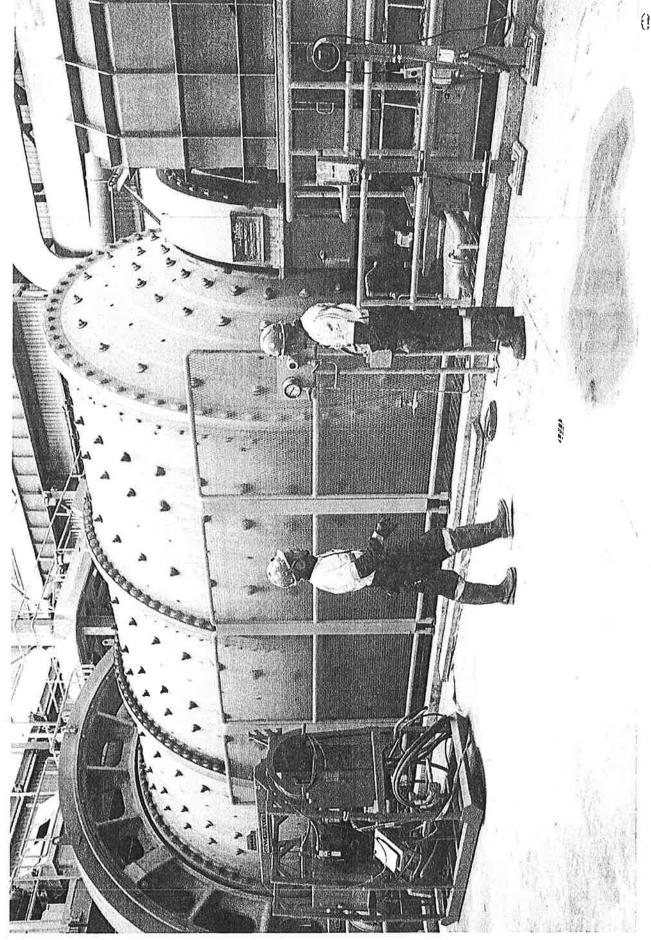
This is Exhibit "C" referred to in the affidavit of Donald Paul Gray sworn before me in Reno, Nevada, this 24th,day of November, 2014.

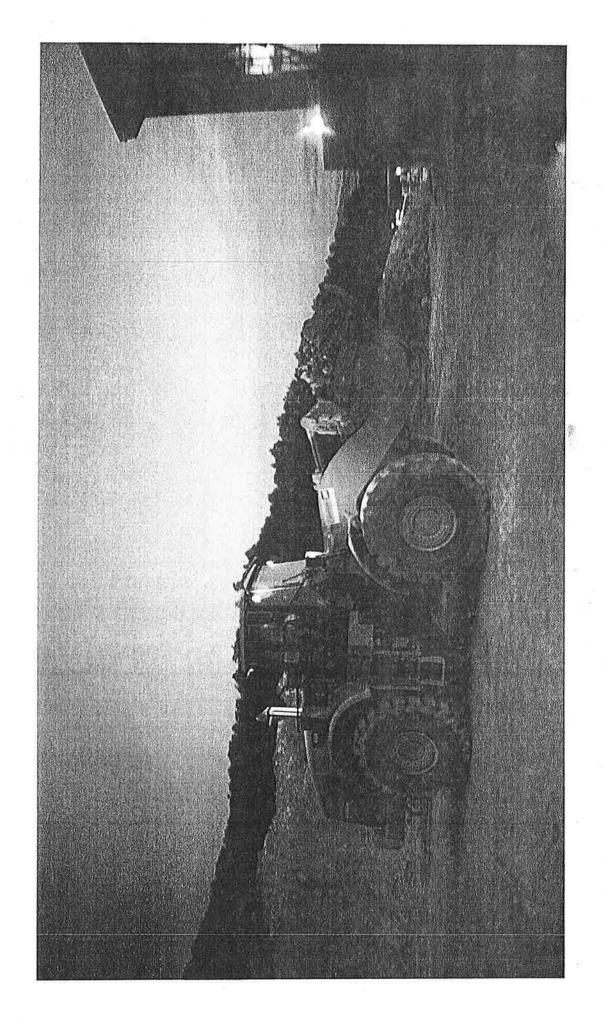
A Notary or Commissioner for taking Affidavits in the State of Nevada.

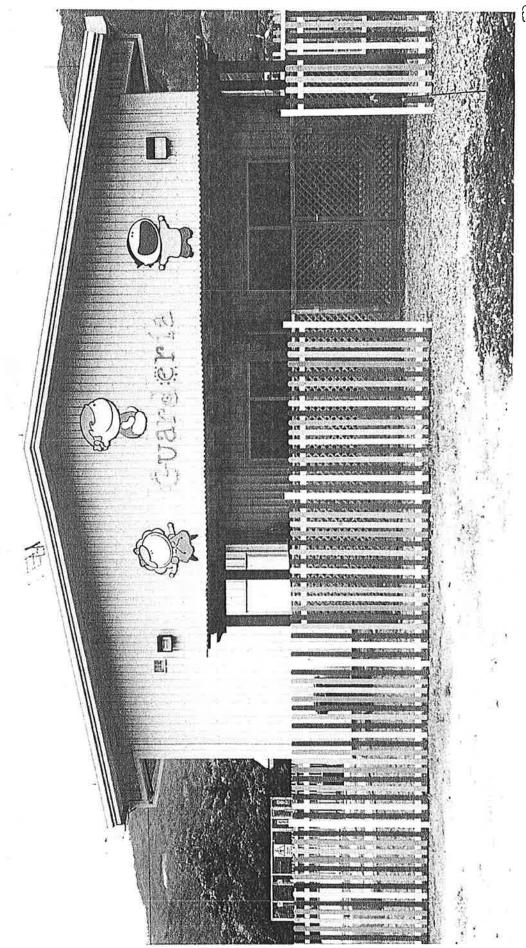
HEIDI NASH

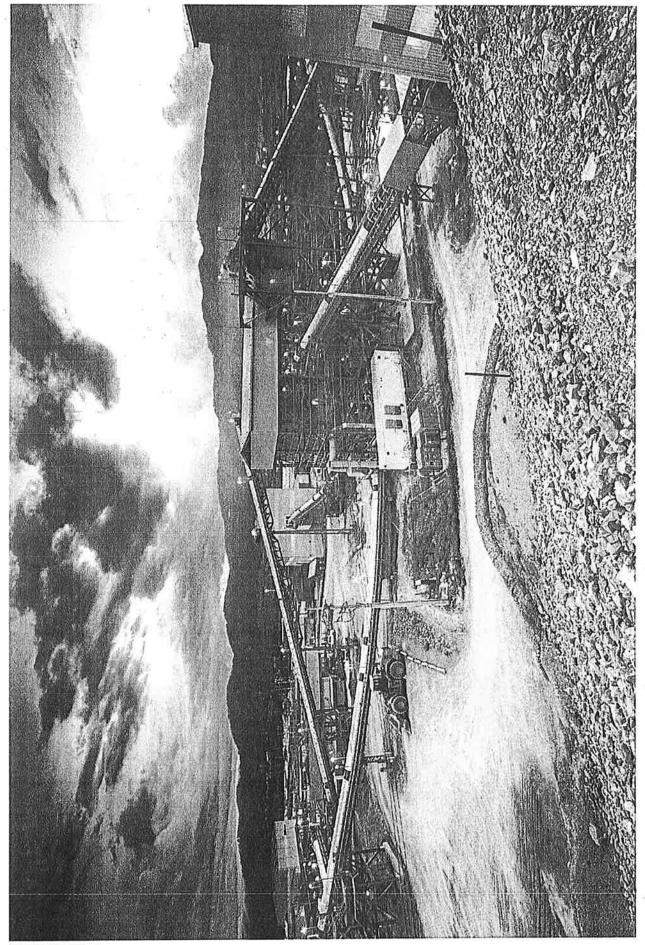
Notary Public - State of Nevada Appointment Recorded in Washoe County No: 91-2645-2 - Expires January 1, 2016

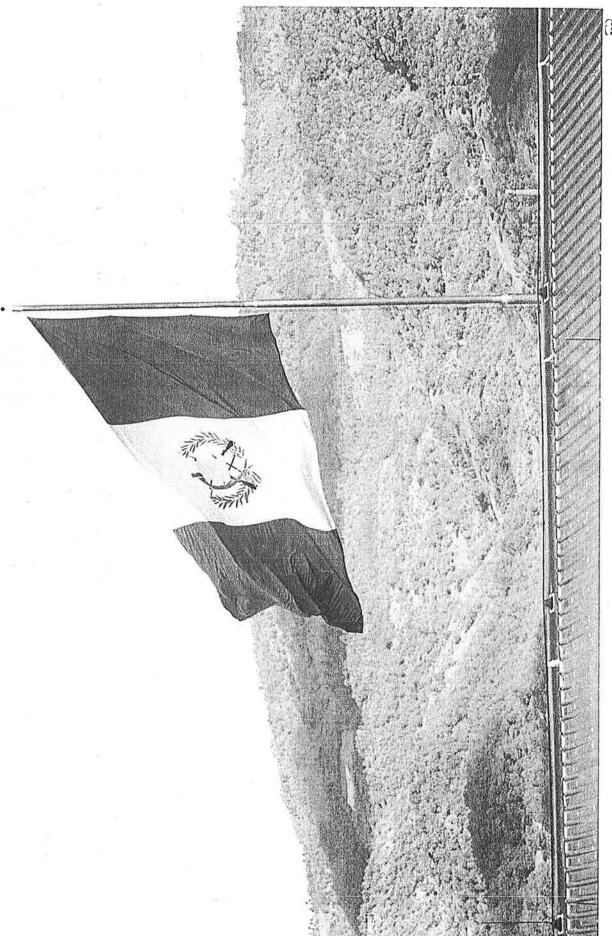


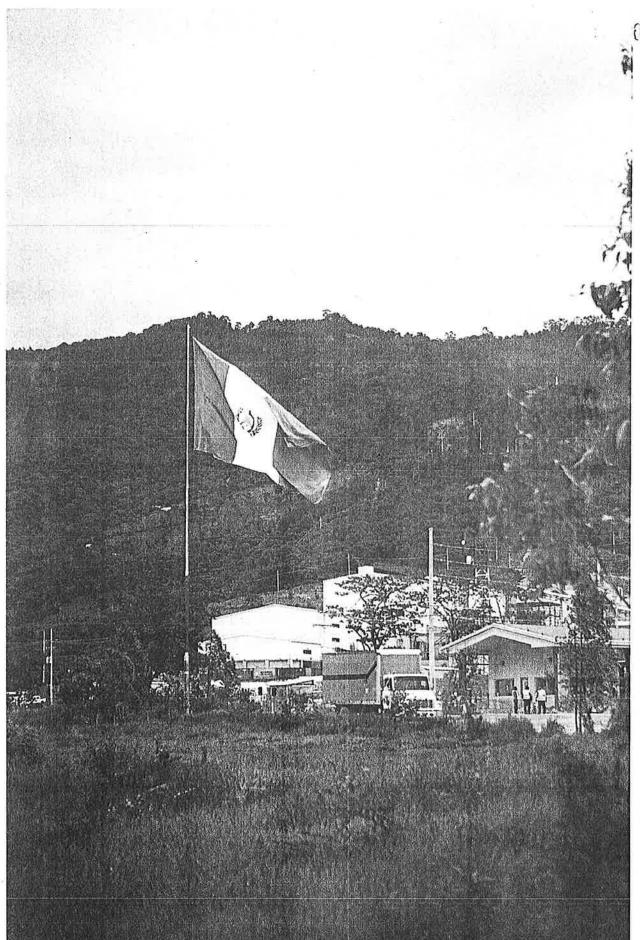




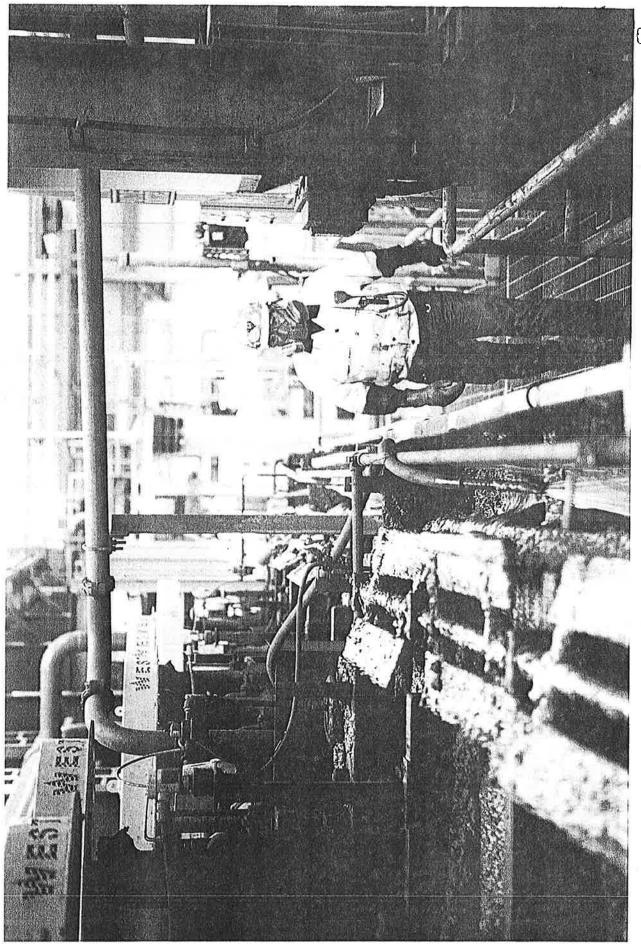




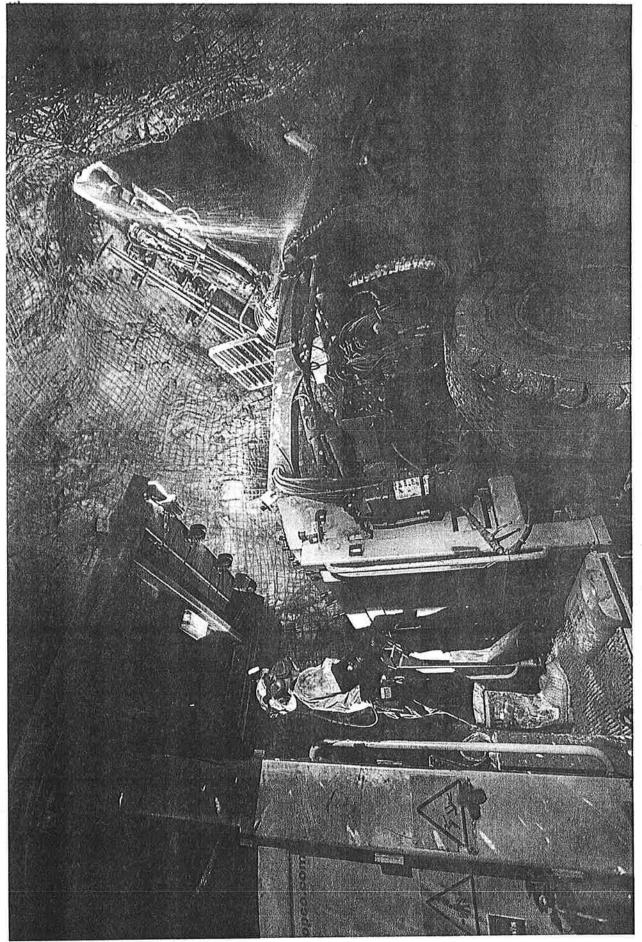












This is Exhibit "D" referred to in the affidavit of Donald Paul Gray sworn before me in Reno, Nevada, this 24th day of November, 2014,

A Notary or Commissioner for taking Affidavits in the State of Nevada.



#### TAHOE RESOURCES INC.

# FIRST AMENDED HEALTH, SAFETY, ENVIRONMENT AND COMMUNITY COMMITTEE CHARTER

This charter (the "Charter") sets forth the purpose, composition, responsibilities, duties, powers and authority of the Health, Safety, Environment and Community Committee (the "Committee") of the Board of Directors (the "Board") of Tahoe Resources Inc. (the "Corporation").

### **PURPOSE**

The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to:

- establishing and reviewing Corporation's health, safety, environment and community policies;
- managing and monitoring the implementation of compliance systems;
- monitoring the effectiveness of health, safety, environmental, community relations and sustainability policies, systems and monitoring processes;
- receiving audit results and reports from management with respect to health, safety, environmental and community relations performance.

### COMPOSITION AND MEMBERSHIP

- The Committee will consist of at least a majority of independent directors (each a "Member").
- All Members will have a general familiarity with the health, safety, environmental and community relations matters that are relevant to Corporation's operations.
- The Board will appoint one of the Members to act as the Chair of the Committee. The secretary of Corporation (the "Secretary") will be the secretary of all meetings and will maintain minutes of all meetings and deliberations of the Committee. In the absence of the Secretary at any meeting, the Committee will appoint another person who may, but need not, be a Member to be the secretary of that meeting.

#### **MEETINGS**

• Meetings of the Committee will be held at such times and places as the Chair may determine, but in any event not less than two (2) times per year. Twenty-four (24) hours advance notice of each meeting will be given to each member orally, by telephone, by facsimile or email, unless all Members are present and waive notice, or if those absent waive notice before or after a meeting. Members may attend all meetings either in person or by conference call.

- The Chair, if present, will act as the Chair of meetings of the Committee. If the Chair is not present, then the Members present may select one their number to act as Chair of the meeting.
- A majority of Members will constitute a quorum for a meeting of the Committee. Each
  Member will have one vote and decisions of the Committee will be made by an
  affirmative vote of the majority. The Chair will not have a deciding or casting vote in the
  case of an equality of votes. Powers of the Committee may also be exercised by a written
  resolution signed by all Members.
- The Committee may invite from time to time such persons as it sees fit to attend its
  meetings and to take part in the discussion and consideration of the affairs of the
  Committee. The Committee will meet in camera without management at each meeting of
  the Committee.
- In advance of every regular meeting of the Committee, the Chair, with the assistance of the Secretary, will prepare and distribute to the Members and others as deemed appropriate by the Chair, an agenda of matters to be addressed at the meeting together with appropriate briefing materials. The Committee may require officers and employees of Corporation to produce such information and reports as the Committee may deem appropriate in order for it to fulfill its duties.

### DUTIES AND RESPONSIBILITIES OF THE COMMITTEE CHAIR

The Chair of the Committee is responsible for:

- Convening Committee meetings and designating the times and places of those meetings.
- Ensuring Committee meetings are duly convened and that quorum is present when required.
- Working with management on the development of agendas and related materials for the Committee meetings.
- Ensuring Committee meetings are conducted in an efficient, effective and focused manner.
- Ensuring the Committee has sufficient information to permit it to properly make decisions when decisions are required.
- Providing leadership to the Committee and assisting it in reviewing and monitoring its responsibilities.
- Reporting to the Board on the deliberations and recommendations of the Committee.

• Monitoring compliance by the Committee with its duties and responsibilities as contained in this Charter.

### DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

The Committee will have the following duties and responsibilities:

- Establish, review and monitor the health, safety, environmental and community relations policies, programs and activities of the Corporation on behalf of the Board to ensure that the Corporation is achieving its stated policy objectives and is in compliance with all applicable laws.
- Encourage, assist and counsel management in developing short and long term policies and standards to ensure that the principles set out in the health, safety, environmental and community relations policies are being adhered to and achieved.
- Review regular updates from management on the health, safety, environmental and community relations performance of the Corporation, and monitor significant event trends.
- Review audit results and findings on health, safety, environmental and community relations audits, the action plans pursuant to the findings and the result of investigations into significant events, with the Committee having the power to initiate audits at its request.
- Receive regular updates from management regarding (i) compliance with health, safety, environmental and community legislation and licenses and (ii) the policies and systems in place to monitor such compliance.
- Consider the recommendations of management in its reports, assess proposed action plans, report to the Board and, where appropriate, make recommendations to the Board.
- If any management report reviewed by the Committee contains issues of major concern, or material non-compliance, the Committee shall assess the adequacy of the Corporation's response to such situations, make recommendations to the Board where appropriate, and receive follow-up reports from management which demonstrate that issues have been properly addressed or resolved.
- Monitor the suitability and effectiveness of the policies, systems and monitoring
  processes in place to manage the safety and health of employees, contractors, visitors and
  the general public and to manage environmental impacts.
- Review health, safety, environmental and community relations response compliance
  issues and incidents to determine, on behalf of the Board, that the Corporation is taking
  all necessary action in respect of those matters and that the Corporation has been duly
  diligent in carrying out its responsibilities and activities in that regard.

- Review the Corporation's programs to promote zero injuries amongst the workforce, and monitor their effectiveness.
- Review the Corporation's programs to minimize or prevent the harmful effects of the Corporation's operations on the environment, and monitor their effectiveness.
- Identify the principal areas of health, safety, environment and community risks and impacts and provide that sufficient resources are allocated to address these.
- Make periodic visits, as individual Members, the Committee and/or the Board to the Corporation's sites in order to become familiar with the nature of the operations, and to review relevant objectives, procedures and performance with respect to health, safety, environmental and community relations matters.
- Review the competence and organizational structure established, and key resources
  committed to, developing a positive relationship with the communities and public
  impacted by the Corporation's operations, and how these activities drive economic
  development and community well-being; and report conclusions and make
  recommendations to the Board.
- Review management's philosophy and strategy for the implementation and securing of a
  positive relationship, driving economic development, and creating well-being within the
  communities impacted by the Corporation's operations, and report its conclusions and
  make recommendations regarding implementation of these strategies to the Board.
- Direct and supervise the investigation into any matter brought to its attention within the scope of its duties.
- Perform such other duties as may be assigned to it by the Board of Directors from time to time or as may be required by applicable regulatory authorities or legislation.

#### REPORTING

The Chair will report to the Board at each Board meeting on the Committee's activities since the last Committee meeting. The Secretary will circulate the minutes of each meeting of the Committee to the members of the Board.

#### ACCESS TO INFORMATION AND AUTHORITY

The Committee will be granted unrestricted access to all pertinent information regarding the Corporation and all directors, officers and employees will be directed to cooperate as requested by Members of the Committee. The Committee has the authority to retain, at the Corporation's expense, independent legal, financial and other advisors, consultants and experts, to assist the Committee in fulfilling its duties and responsibilities. The Committee has the sole authority to retain and terminate any consulting firm to assist the Committee in reviewing health, safety,

environmental and community relations matters, including sole authority to approve the fees and other terms of retention of such consulting firms.

# REVIEW OF CHARTER

The Committee will annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration.



This is Exhibit "E" referred to in the affidavit of Donald Paul Gray sworn before me in Reno. Nevada, this 24th day of November, 2014.

A Notary or Commissioner for taking Affidavits in the State of Nevada.

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# Corporate Social Responsibility Policy



# Our Commitment

Tahoe Resources Inc. ("Tahoe") is committed to conducting business honestly and ethically everywhere we operate. Our employees and contractors are committed to the spirit and the letter of the laws that govern us. We value our reputation and the trust and confidence placed in us by our stakeholders. The Company has a strict Code of Conduct for our officers and high standards of reporting and disclosure. We are committed to dealing with operating and community issues in a lawful and responsible manner. We strive to minimize the environmental effects of our operations, to provide a safe and healthy workplace for all our employees and contractors and to promote sustainable businesses and social programs in the communities where we operate.

Corporate responsibility is an evolving challenge and we will continuously improve management systems, policies, programs and practices. We expect the results will be responsible reporting on all facets of our business and field operations conducted in a safe, environmentally sound and community conscious manner.

### Environment

Tahoe is committed to operating its mines and projects in an environmentally responsible manner. We regularly evaluate existing work conditions; minimize and mitigate environmental impacts of mining; apply prudent design and operating practices; and educate employees and contractors who work at our facilities. Tahoe is committed to the following:

- Meet or exceed the standards set by the applicable environmental laws and regulations in the countries in which we operate;
- Explore, design, construct, operate and reclaim mining operations by utilizing effective and proven practices that minimize adverse environmental impacts;
- Educate employees regarding environmental matters and promote employee participation in minimizing environmental impacts;
- Proactively and diligently address the reasonable concerns of our stakeholders;
- Conduct regular reviews and report findings to management and the Board of Directors to ensure compliance with this policy;
- Prominently display and promote this policy to our employees and contractors and disclose it to all of our stakeholders.

Each of our operations is responsible and held accountable for the development and implementation of procedures and programs that comply with this policy. The Board of Directors oversees environmental management through the Health, Safety, Environment and Community Committee.

# Health and Safety

Tahoe is committed to protecting the health and safety of its employees and contractors at its mining and development projects. We strive to provide a safe and healthy workplace for our employees and contractors. We are committed to the following:

- Promote health and safety on and off the job;
- Provide employees with the training and tools to work safely;
- Best practices in equipment maintenance;
- Comply with applicable laws and regulations of the countries in which we operate;
- Adhere to sound and effective health and safety practices;
- Provide a safe work environment by minimizing and/or eliminating hazards;
- Educate the workforce to the potential hazards of their job and best safety practices;
- Pursue and implement accident prevention programs;
- Ensure that first aid and emergency response plans are in place at each operation;
- Require that employees perform their duties in the safest manner possible;
- Ensure accident reporting is completed in a diligent manner;
- Remediate all idenlified health and safety findings promptly;
- Conduct regular reviews and report findings to the Board of Directors to ensure that company health/safety policies and procedures are being adhered to;
- Ensure that mechanisms are in place that promote employee participation in the development of health and safety standards and that these employees take ownership of their health and safety responsibilities.

Each operation is responsible and held accountable for the development and implementation of procedures and programs that comply with this policy. The Board of Directors oversees health and safety management through the Health, Safety, Environment and Community Committee.

# Community

Through responsible mining practices and close cooperation with community leaders, local governments and business leaders, Tahoe actively contributes to the economic and social development of the communities in which it operates. Tahoe works to strengthen communities with a special emphasis on improving local infrastructure, potable water supplies, waste management practices, education and healthcare.

Environmental responsibility, social initiatives and economic contributions have become the pillars of our strategy to develop healthy communities, sustainable beyond the mining operations we carry out today. Through communications and partnerships with locals to implement community projects, we will continue to demonstrate our commitment to environmental stewardship, employee safety and economic and social development in the communities near the project.

The Board of Directors oversees community sustainable development and relations through the Health, Safety, Environment and Community Committee.



Appointment Recorded in Washoe County
This is Exhibit "F" referred to in
the affidavit of Donald Paul Gray
sworn before me in Reno, Nevada,
this 24th day of November, 2014

# TAHOE RESOURCES INC.

### CODE OF BUSINESS CONDUCT

A Notary or Commissioner for taking Affidavits in the State of Nevada.

#### INTRODUCTION

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Tahoe Resources Inc. (the "Corporation") is committed to managing its business in accordance with a set of values that adhere to the highest standards of integrity and excellence. The Corporation's reputation and the trust and confidence of those with whom we deal, are among our most vital corporate assets.

With this in mind, the Corporation has adopted certain ethical guidelines and principals to ensure that all employees are aware of and understand the expectations of the Corporation with respect to their conduct.

Every employee, officer and director of the Corporation and its subsidiaries occupies a position of trust. In varying measure, such individuals, as well as certain contractors and agents, represent the Corporation in its relations with others — whether with customers, suppliers, employees, competitors, governments, investors or the general public. Whatever the area of activity and whatever the degree of responsibility, such persons are expected to act in a manner that will enhance the Corporation's reputation for honesty, integrity and the faithful performance of undertakings and obligations.

Every employee, officer and director of the Corporation and its subsidiaries has the responsibility to obey the law and act ethically. To that end, this Code of Business Conduct (the "Code") been adopted by the Board of Directors of the Corporation as a guide that is intended to sensitize such individuals to significant legal and ethical issues that arise frequently and to the mechanisms available to report illegal or unethical conduct. It is not, however, a comprehensive document that addresses every legal or ethical issue that an employee, officer and director of the Corporation and its subsidiaries may confront, nor is it a summary of all laws and policies that may apply. Ultimately, no code of conduct can replace the thoughtful behavior of an ethical person.

Compliance with the provisions of this Code is mandatory for all employees, officers and directors. Certain contractors, agents and other representatives also may be required to comply with this Code. This Code affirms the commitment of the Corporation to uphold high ethical standards and to specify the basic norms of behaviour for the Corporation and employees, officers and directors, contractors, agents and other representatives of the Corporation and its subsidiaries. Failure to comply with this Code can have severe consequences. Conduct that violates this Code may violate federal, provincial or state law and can subject both the Corporation and its employees, officers and directors to prosecution and legal sanctions. Offenders will be appropriately disciplined, which may include disciplinary action up to and including discharge from office or termination of employment, for violations of this Code.

The Corporation has set forth in writing numerous policies, procedures, rules and standards of employee performance which continue in force. This Code is intended to supplement, and in some cases summarize, these established policies, procedures, rules and standards but does not

replace them. It continues to be the responsibility of all employees, officers and directors to comply with all such policies, rules and performance standards. Copies of written policies, procedures, rules and standards of employee performance which may apply to you may be obtained from the Corporate Secretary.

If you have any questions about this Code or any policies, rules and employee performance standards, you should consult your supervisor or the Corporate Secretary. If you are concerned about conduct you believe may violate the policies of this Code, such policies, rules and employee performance standards or the law, you should consult with your supervisor or any management person you are comfortable with to discuss such issues. Procedures for reporting of suspected violations of this Code are set out under "Compliance – Duty to Report" below.

# CONFLICT OF INTEREST AND DISCLOSURE ISSUES

### **Conflicts of Interest**

Employees, officers and directors must avoid all situations in which their personal interests conflict or might conflict with their duties to the Corporation. Employees, officers and directors should seek to avoid acquiring any interests or participating in any activities that would tend to:

- (a) deprive the Corporation of the time or attention required to perform their duties properly; or
- (b) create an obligation or distraction which would affect their judgment or ability to act solely in the Corporation's best interest.

Every employee of the Corporation who is charged with executive, managerial or supervisory responsibility is required to see that actions taken and decisions made within his or her jurisdiction are free from the influence of any interests that might reasonably be regarded as conflicting with those of the Corporation.

Employees, officers and directors owe a duty to the Corporation to advance its legitimate interests when the opportunity to do so arises and to refrain from activities which could hinder their ability to act in the Corporation's best interest, have the potential to do so or could be perceived as doing so. Employees are required to disclose in writing to the Corporation all business, commercial or financial interests or activities that might reasonably be regarded as creating an actual or potential conflict with their duties of employment. Such disclosures should be listed on the Acknowledgement and Disclosure Statement at the end of this Code. In addition, directors and officers are required under applicable laws and the Corporation's Corporate Governance Guidelines to disclose any interest in and refrain from voting on any material contracts or transactions relating to the Corporation in which they are a party or have a material interest.

## **Outside Employment and Business Activities**

Employees other than officers and senior managers are free to take on employment and engage in business ventures, partnerships or enterprises, but only outside their working hours. However, employees must avoid outside employment, businesses and other activities which would impair their effective performance as employees of the Corporation, either due to excessive demands on their time or because such employment, businesses and other activities may be contrary to their obligations to the Corporation or which have an adverse impact on the reputation of the Corporation.

Employees must obtain approval from their supervisor before engaging in employment outside of the Corporation.

# **Community Activities**

Employees, officers and directors may, and are encouraged to, engage in community and volunteer work and political activities outside their working hours.

Employees and officers may promote charitable causes to customers, suppliers and colleagues, provided that you make it clear that you are acting for a charitable cause or organization and not the Corporation. Employees should exercise caution if generating donations while at work to ensure that customers or suppliers do not feel that they are under any obligation to support the non-profit organization to maintain their relationship with the Corporation and that fellow employees do not feel pressured to contribute.

# **Board Appointments**

A Corporation's employee may not sit on the board of a publicly-traded company or other entity without the permission of his or her supervisor, or in the case of senior officers, the President and Chief Executive Officer. Membership of charitable or community boards does not require preapproval but such activity must not interfere with duties and obligations to the Corporation and must not reflect negatively on the Corporation.

An employee who sits on the board of a company (other than the Corporation) or other entity must abstain from voting on any matter directly or indirectly concerning the Corporation or likely to go against the interests of the Corporation.

# **Corporation Confidential Information**

Employees must safeguard the Corporation's Confidential Information. "Confidential Information" includes trade secrets, know how, records, data, plans, strategies, processes, business opportunities and ideas relating to present and contemplated products and services and financial affairs of the Corporation, its customers, its suppliers and/or other employees. Confidential Information is information which is not generally known to the public and is useful or helpful to the Corporation and/or would be useful or helpful to competitors of the Corporation. Common examples include, but are not limited to, such things as financial data, supplier lists, customer lists, capital investment plans, and projected sales or earnings. Confidential Information also includes any documents containing any of the foregoing or which may be labelled "confidential" or "proprietary".

Employees, officers and directors may not disclose to the public information which might impair the Corporation's competitive effectiveness or which might violate the private rights of individuals, enterprises or institutions and are prohibited from discussing or disclosing to the public any Confidential Information without authorization. However, disclosure of Confidential Information may be made for legitimate purposes such as full and complete reporting to governmental, regulatory or enforcement agencies. If in doubt about whether information is Confidential Information, you should assume the information is confidential unless otherwise informed by your supervisor. The above rules also apply to information which the Corporation has obtained from a customer or supplier (or prospective customer or supplier) on condition of confidentiality. The foregoing obligations to maintain confidentiality of Confidential Information and confidential information of current or prospective customers and suppliers apply both while a person is an employee, officer or director of the Corporation and following termination of such relationship.

All employees, officers and directors must also adhere to the Corporation's procedures and practices on timely disclosure, as set out in the Corporation's Disclosure Policy. A copy of the Corporation's Disclosure Policy is available from the Corporate Secretary and questions concerning such policy may be directed to the Corporate Secretary.

All employees, officers and directors are responsible and accountable for the integrity and protection of business information (including electronic mail and voice mail) and must take the appropriate steps to protect such information. Employees, officers and directors should always be alert to and seek to prevent inadvertent disclosures which may arise in either social conversations or in normal business relations with suppliers and customers.

Documents containing sensitive data should be handled carefully during working hours and must be properly secured at the end of the business day. Particular attention must be paid to the security of data stored on the computer system. Each employee must maintain the secrecy of his or her password and lock sensitive or valuable equipment when not in use.

## **Intellectual Property**

All information, technology and intellectual property, including, but not limited to all creative materials, programs, designs, inventions, developments, strategies, etc. developed by an employee during the course of employment with the Corporation belong to the Corporation and all employees assign to the Corporation all rights they may have in the information, technology and intellectual property. Such materials shall remain with the Corporation following termination of employment and employees shall take such reasonable steps as requested by the Corporation to confirm ownership of such materials in the Corporation, and to enable the Corporation to perfect and maintain its title to such information, technology and intellectual property. All employees waive all authors and moral rights which they may have in such information, technology and intellectual property.

# **Use of Corporation Assets**

Each of us has a responsibility to prevent misuse, loss, unauthorized destruction or damage or theft of the Corporation's assets. Reasonable precautions should be taken to secure the Corporation's premises and assets.

The Corporation's assets should be used solely for the benefit of the Corporation. Use of the Corporation's funds or assets for any unlawful or improper purpose is prohibited. Claims for

business expenses must be made consistent with the Corporation's expense policies. Excessive, fictitious or unnecessary claims are prohibited.

# Insider Information, Trading & Tipping

The Corporation encourages all of its employees, officers and directors to become security holders of the Corporation on a long-term investment basis. Employees, officers and directors of the Corporation, however, are prohibited by Canadian securities laws from insider trading and tipping.

The purchase and sale of the Corporation's securities may only be done in accordance with the Corporation's Policy on Insider Trading. The Corporation's Policy on Insider Trading also addresses legal prohibitions against trading with knowledge of undisclosed material information, tipping, market manipulation or fraud and insider trade reporting requirements. Violations of such requirements may also have severe consequences, including fines, imprisonment and civil liability and may subject the individual to disciplinary action by the Corporation, up to and including termination. Employees, officers and directors who engage in insider trading may also be accountable to the Corporation for any benefit or advantage received as a result.

A copy of the Corporation's Policy on Insider Trading is available from the Corporate Secretary, and questions concerning such policy or the legal restrictions on insider trading should be directed to the Corporate Secretary.

#### WORK ENVIRONMENT

### Discrimination-Free Work Environment

The Corporation strives to maintain a work environment free of discrimination and harassment, and in which individuals are accorded equality of employment opportunity based upon merit and ability.

Discriminatory practices based on race, ancestry, place of origin, colour, national or ethnic origin, citizenship, creed, sex, sexual orientation, religion, marital status, family status, same-sex partnership status, age, record of offences, handicap or other prohibited grounds of discrimination under applicable law will not be tolerated.

## **Equal Opportunity**

The Corporation is committed to an affirmative action program to assure fair employment, including equal treatment in hiring, promotion, training and compensation, termination, and disciplinary action.

### Prohibited Harassment, Non-Retaliation

It is the responsibility of each of us to help the Corporation provide a work atmosphere free of harassing, abusive, disrespectful, disorderly, disruptive or other non-professional conduct. Sexual harassment in any form, verbal or physical, by any employee, will not be tolerated. The

Corporation requires every person to show sound judgment and respect for the feelings and sensibilities of all other employees.

If an employee feels that another employee's conduct is harassing or improper or offensive, the offended employee should promptly and firmly tell the offender that his or her behaviour is unwelcome. Doing so places the offender on notice that his or her conduct is inappropriate. Any employee who believes he or she has been subject to repeated harassment or offensive conduct, may report the offence to the Corporate Secretary or Human Resources Supervisor or pursuant to the mechanisms for reporting suspected violations of the Code set out in "Compliance - Duty to Report". The Corporation will promptly investigate every complaint of harassment or improper or offensive conduct.

# **Employee Privacy and Personal Information**

The Corporation believes in taking steps to protect the privacy of its employees, officers, directors, contractors, agents and other representatives. The Corporation will not interfere in the personal lives of such individuals unless their conduct impairs their work performance or adversely affects the work environment or reputation of the Corporation.

The Corporation limits the collection of personal information to that which is necessary for business, legal, security or contractual purposes and collection of personal information is to be conducted by fair and lawful means with the knowledge and consent of the individual from whom the information is being collected. Access to employee personnel and medical records and the information contained therein shall be limited to those with a need to know for a legitimate business purpose. All employees have the right to see their own personnel record. Personal information shall not be used or disclosed for purposes other than those for which it was collected, except with the knowledge and consent of the individual or as required by law. Personal information shall be retained only as long as necessary for the fulfilment of those purposes and shall be kept sufficiently accurate, complete and up-to-date to minimize the possibility that inappropriate information may be used or disclosed. The Corporation and its employees will observe obligations of confidentiality and non-disclosure of personal information, including information of its employees and customers, with the same degree of diligence that employees are expected to use in protecting confidential information of the Corporation. The Corporation is responsible for all personal information in its possession or custody, including information that has been transferred to a third party for processing, and all employees shall adhere to the Corporation's policies and procedures in place to protect personal information against loss or theft, as well as unauthorized access, disclosure, copying, use or modification. The Corporation and all employees shall also comply with all applicable laws regulating the disclosure of personal information.

#### Substance and Alcohol Abuse

The use, possession, sale, purchase and the negotiation for sale or purchase of illegal substances or alcohol on the job or on the Corporation's property is prohibited. However, alcohol may be consumed at authorized Corporation social events. The abuse or improper use of prescription or over-the-counter drugs while on the job or on the Corporation's property is also prohibited.

Employees are prohibited against using drugs or alcohol in a manner which adversely affects job performance or compromises the safety of other persons.

# Workplace Security

The Corporation is committed to ensuring the safety of its employees as well as the security of its assets. The Corporation's representatives are permitted to direct the search of persons, vehicles or property located on the Corporation's premises, in accordance with applicable laws. All employees as well as suppliers, consultants, etc. are expected to cooperate by allowing a search of their persons and property on the Corporation's premises.

# **HEALTH, SAFETY & THE ENVIRONMENT**

### Protection of the Environment

The Corporation is committed to the protection of the environment. To comply with this commitment, the Corporation's policy is to meet or exceed all applicable governmental requirements. Employees must report to their supervisor all circumstances in which toxic substances are spilled or released into the environment. Violations of environmental laws, even if unintentional, can carry severe penalties and could result in prosecution of the Corporation or the employees involved, or both.

The Corporation and its employees shall conserve energy resources to the fullest extent possible consistent with sound business operations.

# Occupational Health and Safety Laws

The health and safety of employees is a matter of paramount concern for the Corporation. The Corporation's policy is to provide a workplace free of preventable hazards and to comply with all laws and regulations governing workplace health and safety. Most accidents and injuries are preventable, and to avoid needless injury, each employee must follow all of the Corporation's safety and health rules. Managers and supervisors also must keep abreast of and understand the workplace safety laws and regulations that apply to their areas of responsibility and ensure compliance with them. The Corporation wants its employees to report possible safety problems to appropriate management personnel, to make suggestions regarding appropriate safety controls and warnings, and to participate in the Corporation's safety programs on a continuing basis.

# **Information Technology**

The Corporation's information technology systems, including computers, e-mail, intranet and internet access, telephones and voice mail are the property of the Corporation and are to be used primarily for business purposes. The Corporation's information technology systems may be used for minor or incidental personal messages provided that such use is kept at a minimum and is in compliance with the Corporation's policy.

Employees, officers and directors may not use the Corporation's information technology systems to:

- Allow others to gain access to the Corporation's information technology systems through the use of your password or other security codes;
- Send harassing, threatening or obscene messages;
- Send chain letters;
- Access the internet for inappropriate use;
- Send copyrighted documents that are not authorized for reproduction;
- Make personal or group solicitations unless authorized by a senior officer;
- Conduct personal commercial business; or
- Carry out political activities.

The Corporation may monitor the use of its information technology systems.

Employees must use facilities efficiently, minimize unnecessary messages to others, and refrain from activities that will jeopardize the normal business operation of the system. Computer system passwords and/or user identifications must not be disclosed to anyone except in accordance with the Corporation's policy. Normal standards of professionalism should govern when deciding whether to make information available on the Corporation's computing and communication devices.

All information of any kind (including without limitation voice communications and electronic messages) stored or transmitted on the Corporation's systems is the property of the Corporation and the Corporation has the right to inspect and/or audit any communication or material stored, downloaded, accessed, posted, transmitted or distributed on the employee's computer or voicemail at any time for any purpose, without prior notice to the employee. Communications of any nature on these systems should not be considered private communications.

#### ETHICAL BUSINESS PRACTICES

### Gifts and Entertainment

Employees, officers and directors or their immediate families shall not use their position with the Corporation to solicit any cash, gifts, trips or free services from any of the Corporation's customer, supplier or contractor for their or their immediate family's or friend's personal benefit. Gifts or entertainment from others should not be accepted if they could be reasonably considered to be extravagant for the employee, officer or director who receives it, or otherwise improperly influence the Corporation's business relationship with or create an obligation to a customer, supplier or contractor. The following are guidelines regarding gifts and entertainment:

• Nominal gifts and entertainment, such as logo items, pens, calendars, caps, shirts and mugs are acceptable.

- Reasonable invitations to business-related meetings, conventions, conferences or product training seminars may be accepted.
- Invitations to social, cultural or sporting events may be accepted if the cost is reasonable and your attendance serves a customary business purpose such as networking (e.g. meals, holiday parties and tickets).
- Invitations to golfing, fishing, sports events or similar trips that are usual and customary for your position within the Corporation and the industry and promote good working relationships with customers, suppliers and contractors may be accepted provided that, in the case of employees, they are approved in advance by their manager.

The guiding principle in this area is good judgement and whether the matter, if disclosed, is reasonably likely to cause personal embarrassment for the individual or embarrassment to the Corporation.

Any questions regarding the interpretation of this section and its requirements should be directed to Corporate Secretary.

## Recording of Transactions and Reporting of Financial Information

The integrity of the Corporation's financial reporting is of particular importance as shareholders rely on the Corporation to provide complete and accurate information. The dissemination of financial statements that contain materially misleading information can cause serious legal difficulties for both the Corporation and the employees.

The Corporation's books and records must fully and fairly disclose, in an accurate, timely and understandable manner, all transactions and dispositions of the assets of the Corporation.

The integrity of the Corporation's record-keeping and reporting systems shall be maintained at all times. Employees must document and record all transactions in accordance with the Corporation's internal control procedures and in compliance with all applicable accounting principles, laws, rules and regulations. Employees and managers are forbidden to use, authorize, or condone the use of "off-the-books" record-keeping or any other device that could be utilized to distort records or reports of the Corporation's true operating results and financial conditions. Maintenance of falsified, inaccurate or incomplete records can subject the offending individual and the Corporation to civil and criminal penalties.

All funds and assets are to be recorded and disclosed. Employees with responsibility for reporting financial information shall provide information that is accurate, complete, objective, timely and understandable and complies with all applicable laws relating to the recording and disclosure of financial information.

No employee shall fraudulently influence, coerce, manipulate or mislead any independent public or certified accountant engaged in the performance of an audit of the financial statements for the purpose of rendering such financial statements materially misleading.

### Records Retention and Destruction

Certain records received or generated by the Corporation must be retained for specified periods of time; other records should be purged on a regular basis. Legal and regulatory practice requires the retention of certain records for various periods of time, particularly in the tax, personnel, health and safety, food safety, environmental and financial areas. Failure to retain documents for such minimum periods may subject the Corporation to penalties and fines or place the Corporation at a serious disadvantage in litigation. In addition, when litigation or a governmental investigation or audit is pending or imminent, relevant records must not be altered or destroyed until the matter is closed. Destruction of records to avoid disclosure in a legal or governmental proceeding may constitute a criminal offense.

## Competition and Trade Practice Standards

The Corporation shall compete vigorously and creatively in its business activities, but its efforts in the marketplace shall be conducted in a fair and ethical manner in strict compliance with applicable competition and trade practice laws and regulations.

The Corporation's policy is to comply with all applicable laws and regulations in Canada and elsewhere addressing competition and trade practices. Violations of these laws can subject the Corporation to heavy fines and criminal and other sanctions. Employees who authorize or engage in acts in violation of such laws may also be personally subject to substantial fines and to imprisonment.

As competition laws are complex and the application of such laws is fact-specific, employees should refer matters about which they are in doubt to their supervisor who, if necessary, should seek the advice of Corporate Secretary.

### **Gathering Competitive Information**

The Corporation's employees will not use improper or illegal means of gathering information about competitors or other third parties. Theft or illegal entry and electronic eavesdropping are obviously unacceptable means of searching for competitive intelligence. Employees must not offer a bribe or a gift in exchange for a competitor's information nor solicit information from a competitor's ex-employee now working for the Corporation .

### Crime and Money-Laundering Prevention

The Corporation is committed to comply fully with all applicable anti-money laundering laws. The Corporation will conduct business only with reputable customers who are involved in legitimate business activities and whose funds are derived from legitimate sources. All employees are to take reasonable steps to ensure that the Corporation does not aid or take part in any illegal activities or accept forms of payment that have been identified as means of laundering money.

# **Customs Compliance**

It is the policy of the Corporation to comply fully and in all respects with the laws and regulations governing the importation of goods and services into Canada and every country in which the Corporation conducts business. Compliance with this policy is mandatory for any employee, agent or contractor of the Corporation that controls or is involved with any part of the importation process, commencing with the sourcing of imported goods (including such items as product samples, machine parts and raw materials) through final payment for the same.

# DEALINGS WITH PERSONS OUTSIDE THE CORPORATION

The honesty and integrity of those who represent the Corporation must underlie all of the Corporation's relationships, including those with shareholders, customers, suppliers, governments, regulators, professional service providers and others.

# Dealing with Public Officials

All dealings between employees, officers and directors of the Corporation and public officials are to be conducted in a manner that will not compromise the integrity or impugn the reputation of any public official, employee, officer or director of the Corporation. Non-routine and high profile contacts with public officials should be handled through or coordinated with the President.

Even the appearance of impropriety in dealing with public officials is improper and unacceptable. Any participation, whether directly or indirectly, in any bribes, kickbacks, improper profit-sharing arrangements, illegal gratuities, indirect contributions, improper inducements or similar payments to any public official is expressly forbidden, notwithstanding that they might further the business interests of the Corporation.

The Corporation and its representatives will not engage in or undertake lobbying activities except in compliance with applicable laws.

#### Dealing with the Media

The Corporation is committed to providing, as appropriate, full and prompt disclosure to the media of material developments and events. However, all media relations are to be co-ordinated through the authorized spokespersons identified in the Corporation's Disclosure Policy, all in accordance with the Disclosure Policy and applicable laws. Employees should not comment on any inquiry from the media, no matter how innocuous the inquiry may appear. Any employee who is asked for a statement by the media should explain this policy and refer the matter to the Corporate Secretary or the Vice President in charge of public disclosure .

### **Dealing with Shareholders**

Any inquiries from the Corporation's shareholders should be directed to the Corporate Secretary or the Vice President in charge of public disclosure.

# **Dealings with Suppliers**

Selection of suppliers shall be based on merit, after due consideration to alternate sources of supplies. The Corporation will only deal with suppliers who comply with applicable legal requirements and any of the Corporation's standards relating to labour, environment, health and safety, intellectual property rights, refraining from improper payments and prohibitions against child or forced labour.

Confidential information received from a supplier shall be treated as if it were the Corporation's Confidential Information. Confidential Information shall not be disclosed to a supplier until an appropriate confidentiality agreement has been signed by the supplier.

Use of the Corporation's name or intellectual property by a supplier requires approval in writing by the Corporate Secretary. The Corporation shall not use the name or intellectual property of a supplier without the supplier's consent in writing.

## Agents and Representatives of the Corporation

The Corporation will enter into representation agreements only with companies believed to have a record of, and commitment to, integrity. Efforts will be taken by the Corporation and its employees to ensure that agents, consultants, independent contractors and representatives are aware of this Code

#### Political and Charitable Contributions

The use of the Corporation's funds, goods or services as contributions to political parties, candidates, campaigns or charities is forbidden, unless authorized by the President, and the contribution is in accordance with any approved political donations or charitable donations budget. Contributions include money or anything having value, such as loans, services, excessive entertainment, trips and the use of the Corporation's facilities or assets.

### **INVESTIGATIONS**

It is the policy of the Corporation to fully cooperate with any appropriate governmental or regulatory investigation. A condition of such cooperation, however, is that the Corporation be adequately represented in such investigations by its own legal counsel. Accordingly, any time an employee, officer or director receives information about a new government investigation or inquiry, this information should be communicated immediately to the Corporate Secretary. Some government dealings (for example, tax audits, audits or investigations from the Ministry of Labour) can be handled by the employee responsible for such matters. However, if an employee, officer or director believes that a routine audit may evolve into a more formal government investigation, the Corporate Secretary should be contacted.

Employees, officers and directors should never, under any circumstances:

• destroy or alter any of the Corporation's documents or records in anticipation of a request for those documents from any government agency or a court;

- lie or make any misleading statements to any governmental investigator (including routine as well as non-routine investigations); or
- attempt to cause any of the Corporation's employees, or any other person, to fail to
  provide information to any government investigator or to provide any false or
  misleading information.

#### **COMPLIANCE**

### Distribution of the Code

Each employee, officer and director of the Corporation who has executive, managerial or supervisory responsibilities, or deals on behalf of the Corporation with government officials or political parties or candidates, or who has access to confidential information, will be provided with a copy of this Code. To ensure a proper understanding of this Code, any questions pertaining to its application to the area of responsibility and jurisdiction of the employee, will be explained by the employee's supervisor. A copy of the Code will also be provided to each director as part of his or her orientation materials.

At the commencement of employment and every year thereafter, each employee shall sign the Acknowledgement and Disclosure Statement, which will be retained by the officer in charge of human relations, and which shall confirm to senior management that such employee has read or reread, as the case may be, the current version of this Code.

#### MONITORING COMPLIANCE

The Corporation reserves the right to audit compliance with this Code. Accordingly, all employees shall afford any external or internal auditors full, free and unrestricted access to all of the Corporation's operations, records, facilities and personnel and will take appropriate measures to safeguard information obtained through the audit process.

### **Duty to Report**

Every employee, officer and director has a duty to report any violations of this Code. Managers, officers and directors may also be subject to disciplinary action if they do not demonstrate the appropriate leadership to ensure compliance with the Code.

An employee who becomes aware of a violation or possible violation of this Code or any of the Corporation's statements and policies must report that information immediately under the provisions of the Corporation's Whistleblower Policy.

### **INVESTIGATION PROCESS**

All investigations pertaining to a breach of this Code will be carried out in accordance with the rules and procedures set out in the Corporation's Whistleblower Policy.

# WAIVER, AMENDMENTS AND INTERPRETATION OF THIS CODE

The Corporation retains sole discretion in interpreting and applying the Code. The Corporation will periodically review its Code and make appropriate additions or changes. The Code may be updated, modified or withdrawn by the Corporation at any time in its sole discretion.

### APPENDIX A

### **CODE OF BUSINESS CONDUCT**

### ACKNOWLEDGEMENT AND DISCLOSURE STATEMENT

I acknowledge that I have received a copy of Tahoe Resources Inc. Code of Business Conduct and that I have read or re-read such code this year. I understand the provisions of this Code of Business Conduct and I acknowledge and accept that my continued employment or engagement may be dependent upon my compliance with the Corporation's rules and policies as set forth therein. I agree that the Corporation may, from time to time, require that I execute periodic renewals or alternative versions of this acknowledgement and disclosure statement. I also understand that I have an obligation to report any violation of these rules and policies in the manner set forth in the Code of Business Conduct.

LIST OF TRANSACTIONS, AFFILIATIONS, VENTURES, PARTNERSHIPS, OUTSIDE EMPLOYMENT OR ACTIVITIES (If none, please check "I have nothing to disclose" below. If there are such disclosures or if you are not sure, list these below, using attachments if necessary.)

I have nothing to disclose.	I disclose the following:
EMPLOYEE SIGNATURE	NAME OF EMPLOYEE
DATE	TITLE
	The state of the s
	LOCATION
I have reviewed the Code of Codisclosure items set forth above a	onduct with the above-named employee, and have reviewed all and/or on any attachment.
n e	
	D. 1 mg
SUPERVISOR SIGNATURE	DATE

### APPENDIX B

# LIST OF CONTACTS

Your supervisor is normally your main contact for Code-related matters. If you do not feel comfortable speaking to your supervisor you may wish to use the following:

# **Human Resource Representative**

Name: Ira Gostin

Phone: 775-825-8574, ext. 225

# The Corporate Counsel and Secretary

Name: Edie Hofmeister

Phone: 775-825-8574, ext. 224

This is Exhibit "G" referred to in the affidavit of Donald Paul Gray sworn before me in Reno. Nevada. this 24th day of November. 2014.

A Notary or Commissioner for taking Affidavits in the State of Nevada.

HEIDI NASH
Notary Public - State of Nevada
Appointment Recorded in Washoe County
No: 91-2645-2 - Expires January 1, 2016

<u> ▲ Minera San Rafael, s.a.</u>

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# I. Message from Our Country Manager

I am pleased to introduce Minera San Rafael, S.A., (MSR), a subsidiary company of Tahoe Resources Inc. MSR was founded in 2010 to construct and operate the El Escobal mine, located in the San Rafael las Flores municipality in Guatemala's Santa Rosa department. Because MSR was confident in Guatemala's economic progress and potential, the decision was made to invest in the mining facilities required to produce and export our products: mineral concentrates containing silver, lead, zinc, and gold.

MSR operates to high international standards, and Corporate Social Responsibility (CSR) is a fundamental aspect of our business. Our CSR program demonstrates an ongoing commitment to human rights, including adoption of a human rights policy that follows the U.N. Guiding Principles on Business and Human Rights. To us, CSR means conducting business responsibly, ethically, and in compliance with all regulatory requirements, while balancing environmental, social, and economic performance. Thus, we've focused on contributing to sustainable development in the nearby area communities, a commitment we share with our workers and their families. At the same time, we provide a safe and healthy workplace for our employees and contractors. We also plan our business activities to minimize potential environmental and social effects as we promote sustainable business development and social programs in our areas of influence. Our Sustainability Management System is a prime example of our continuously improving management systems, policies, programs, and practices, in alignment with current international practices and standards.

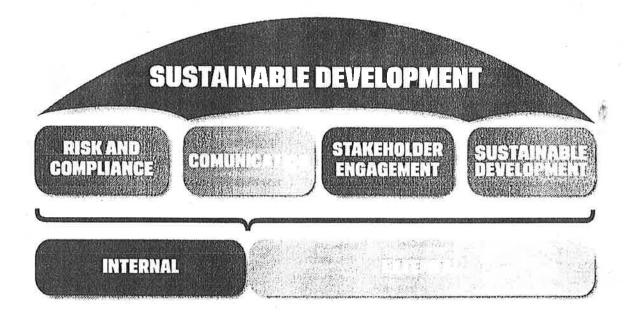
For MSR, 2013 was a very important year. We completed our construction phase and initiated mine operations; and from the beginning, our CSR and sustainability activities have been keys to our success. In this document, you will find information about our stakeholder engagement, our business and community development projects, and our communication activities for 2013.

Donald Rad Dry

Donald Paul Gray Country Manager Minera San Rafael

# II. Sustainability at MSR

Since 2010, many successful development and stakeholder engagement projects have been accomplished through MSR's community relations efforts, both in San Rafael las Flores and the surrounding communities. Building on these early successes, in 2013, MSR's Sustainability Department was organized into several focused areas. Our Sustainability Management Systems involve: Stakeholder Engagement, Sustainable Development Programs, Risk and Compliance Management and Communication.



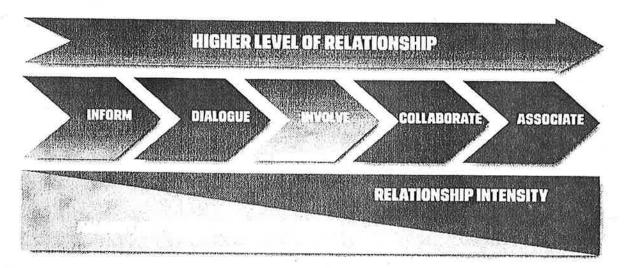
#### 1. Stakeholder Engagement

One of the key pillars supporting our sustainability efforts is maintaining close, active relations with our stakeholders. We call this pillar Stakeholder Engagement. In engaging our stakeholders and communities, we implemented a grassroots strategy focused on keeping our nearby communities informed while paying close attention to their feedback. This important feedback mechanism allows us to listen to concerns from both individuals and communities and respond in an appropriate manner.

By continually engaging families, community leaders, and local authorities, we not only successfully establish a mutual dialogue, but we also build a climate of transparency, trust, and mutual respect.

To achieve our stakeholder engagement objectives, MSR implemented a Five-Step Relationship Map. This map helps us actively track our community engagement progress throughout the development of the relationship. This broad and inclusive concept requires an ongoing, deliberate approach in seeking to build trust, communication, acceptance and co-ownership of projects.

#### FIVE-STEP RELATIONSHIP MAP



- **1. INFORM:** The first step in our Relationship Map is to Inform. This step is focused on conveying MSR's message to a broad community audience. However, this first step is also where the lowest relationship intensity exists between our target audience and MSR.
- **2. DIALOGUE:** The second step in our Relationship Map is to Dialogue. The relationship starts when both MSR and the communities begin to engage in dialogue. Once dialogue is achieved, we start building the framework to strengthen the relationship by implementing the steps that follow.
- **3. INVOLVE:** The third step in our Relationship Map is to Involve. This step is an important community relations milestone; both MSR and target communities begin to strengthen the relationship by working together.
- **4. COLLABORATE:** The fourth step in our Relationship Map is Collaborate. At this point, MSR and area communities further cement the relationship by collaborating on joint projects. In this way, mutual respect and trust are achieved.
- **5. ASSOCIATE:** The fifth and last step in our Relationship Map is to Associate. It is at this step in the process where the individual interaction becomes the strongest. By this step, MSR has successfully built a trustworthy and transparent relationship, based on co-responsibility, which both the communities and MSR can rely on.

The region in which MSR operates is culturally and biologically diverse. For this reason, we have implemented our Five-Step Relationship Map with the communities of our area of influence to promote a stable social climate and positive community/company relations. As the Five-Step Relationship process progresses, the relationship becomes more focused with smaller organizations, groups and individuals, and the number of people involved naturally decreases.



#### a) Engagement Activities

MSR works at both local and regional levels, which allow us to positively impact our communities. MSR's Sustainability Department carefully plans and communicates CSR activities with the communities of our area of influence to promote the well-being of our community stakeholders.

- i. Informative Home Visits: MSR's Home Visits program is a grassroots effort focused on door-to-door visits in various communities in order to provide brief, factual presentations about El Escobal. The people in charge of these visits have received training, and the information provided is specifically prepared to address important mining issues. In 2013 alone, the CSR team visited over 1,100 homes in 19 of the 26 San Rafael las Flores communities, covering more than 70% of homes in each community.
- **ii. El Escobal Mine Visits:** One of the most popular informational programs is an El Escobal mine tour. A tour allows stakeholders to visit a world-class mining operation and witness first-hand how MSR achieves standards that meet and/or exceed national and international industry practices and norms. Visitors tour our surface and underground facilities and ask questions. During 2013 alone, approximately 2,000 community leaders, key stakeholders and community representatives toured El Escobal. In total, more than 4,500 people visited El Escobal.
- **iii. Dialogue Meetings:** Dialogue Meetings are an important part of MSR's community relationship efforts to promote open communications, positive relations, ongoing dialogue, and mutual participation. MSR initiates Dialogue Meetings in a number of ways, both formally and informally. For example, through our relationship with the Community Development Councils (COCODES). In the meetings with the COCODES, the community raises important issues and questions, which are discussed through a dialogue meeting.
- **iv. Community Events:** In collaboration with community organizations, social groups, and local governments, MSR sponsors a number of important social and community events. These events include festivals, rodeos and livestock competitions, sports tournaments, holiday celebrations, and events in recognition of special days, such as Mother's Day and International Children's Day.

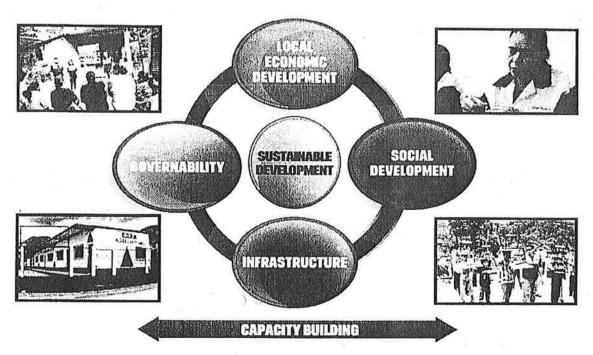
- v. "Cuéntaselo a la Mina" (Tell the Mine): Cuéntaselo is a communication mechanism that encourages open dialogue among the company, individual citizens and communities. Cuéntaselo provides an easily accessible channel for making comments, expressing concerns and complaints, and providing constructive criticism about El Escobal. As a feedback tool, Cuéntaselo is an important mechanism for the company to become aware of potential stakeholder issues that might arise or need attention.
- **vi. Briefing Presentations:** In the areas where there is little understanding of mining operations, informative meetings are held with stakeholders (teachers, leaders, government officials, women's groups, farmers and young people, among others). During these meetings, different questions, comments and concerns arise and are addressed using a presentation that shows the specifics of our operations and the benefits of El Escobal.
- vii. Media Campaign: Making apparent our CSR achievements throughout Guatemala has been one of our goals. In addition to implementing direct communication efforts in the field, MSR launched a successful media campaign to actively reach local and national audiences. Our media campaign included national television and radio spots as well as news and magazine articles to maintain a consistent presence among the public. MSR also maintains ongoing local and regional contact through our popular newspaper, Buenos Días. More than 15,000 copies are distributed monthly via the region's largest circulating newspaper, Nuestro Diario, which reaches a number of regional communities. Many Buenos Dias articles are written by professional journalists and focus on social, cultural and sports related topics, as well as interesting articles about El Escobal.

INFORMATION AND RELATIONSHIP			
ACTIVITIES	2013	DESCRIPTION	
Home Visits	1,217	Visited communities in San Rafael las Flores, covering approximately 70% of municipal households.	
El Escobal Mine Visits	2,073	Key national stakeholders and citizens from Santa Rosa, Jalapa and various regional municipalities, including San Rafael las Flores, visited El Escobal. 47% of the visitors were women.	
Dialogue Meetings	543	Met with Community Development Councils (COCODES) to discuss investment and collaboration projects.	
Regional Engagement	35,230	Co-sponsored special events and celebrations in collaboration with local authorities and organizations.	
Informative Meetings	2,459	Held various informative meetings with agriculture, women's groups, health and education sectors.	
Media Campaign	>2,200,000	Sponsored radio, television and media articles about MSR. MSR's Buenos Dias paper is distributed throughout three departments.	

#### 2. Sustainable Development

Our CSR policies support investment in local development initiatives. In our effort to operate responsibly, and as a strategic regional ally, we strive to work closely with local and national authorities and agencies to assist area communities in managing their own development. Our social investment strategy includes supporting local governments and communities by implementing development plans at the municipal and community levels. In this way, we have participated as consultants and facilitators on various infrastructure projects and local economic development initiatives.

Our investment in social development programs has resulted in a company reputation for being responsible, ethical and concerned about our communities. In fact, MSR has a social investment profile comparable with some of the largest operating mines in the world. In only three years, MSR has been responsible for two-thirds of all school improvements and renovations in San Rafael las Flores. Regionally the company has provided over 1,700 small and medium coffee growers with agrochemicals and coffee plants. MSR has also been responsible for facilities and equipment improvements at area health clinics and hospitals.



MSR's social investment program works closely with area communities by using a participatory process in which each community defines its own development project priorities. Target areas include infrastructure, facilities improvements, business training, economic and social development, and local governance initiatives, all focused on developing long-term, sustainable improvements. We also ensure that each development project complies with local and national guidelines.

In 2013, MSR's primary investment focus areas included Local Economic Development, Social Development, Governability Initiatives, and Infrastructure Development.

#### a) Local Economic Development

i. Agriculture and Livestock Productivity

- Coffee Leaf Rust Disease Control and Coffee Production Program Focused on small to medium coffee growers in San Rafael las Flores and seven regional municipalities.
- Avocado Program Introduction of root-grafted, Haas avocado trees to coffee plantations in San Rafael las Flores and regional municipalities; the avocado trees provide increased shade, facilitating better coffee crops.
- Technical Assistance Soil conservation training and donation of fertilizers.
- Veterinary Services Vaccinations and medical treatments to livestock.
- Forestry Initiative Reforestation efforts in six Santa Rosa municipalities in cooperation with Guatemala's Forestry Incentives for Small Landowners program (PINPEP).
- ii. Small Business Development Jewelry-making and silversmith home business opportunities in collaboration with Technical Institute on Training and Productivity (INTECAP).
- iii. Business Assistance Advice and training for various community organizations.
- iv. Technical Assistance and Training In collaboration with INTECAP.
  - Apparel Construction Training
  - English as a Second Language
  - Computer Skills
  - Health Care Training



LOCAL ECONOMIC DEVELOPMENT AGRICULTURE & LIVESTOCK PRODUCTIVITY			
PROGRAM	2013	DESCRIPTION	
Coffee Rust Control & Coffee Growers Assistance	1,916	Training, technical assistance and donation of agrochemicals.	
Avocado Program	620	Training, technical assistance and donation of Hass avocado plants.	
Soil Conservation & Fertilizers Assistance	388	Soil assistance, fertilizers donations and construction of organic compost collectors in collaboration with the San Rafael las Flores Association of Small Farmers.	
Farm Livestock Veterinary Services	410	Vaccinations and veterinary assistance to local farmers.	
Livestock Training	131	Livestock health and management.	
Bean Program	300	Improved crop management.	
Reforestation	91	Reforested155 hectares.	
BUSINESS GENERATION PROGRAM	N IN COI 2013	LABORATION WITH INTECAP  DESCRIPTION	
Jewelry-making & Silversmithing Entrepreneurship	12	Training in jewelry-making and home business development.	
Business Administration	7	Business and entrepreneurship training for community organizations.	
TECHNICAL ASSISTANC PROGRAM	E IN COI 2013	LLABORATION WITH INTECAP DESCRIPTION	
Apparel Construction Program	36	Commercial apparel construction training and small business development.	
English Workshops	90	English as a second language (ESL).	
Business Administration	20	Bachelor of Arts (B.A.) degree for small business owners.	

#### b) Social Development

#### i. Education

- Education Scholarships Basic education, higher education and computer training
- Teacher Training and Recruiting Support Teacher training through University del Valle de Guatemala
- School Supplies Donations
- School Vacation and Extracurricular Programs In collaboration with Glasswing International Organization
- Primary Grade Teacher Training Teaching skills for basic subjects (e.g., reading, writing and mathematics)
- Extracurricular Science Clubs and Student Activities

#### ii. Health & Nutrition

- Medical Assistance Campaign In collaboration with San Rafael las Flores and Cuilapa Healthcare Centers
- Home Garden Program Implemented through Community-Municipal Organizational Development Association (ADOC)
- Livestock Vaccination Clinics
- Youth Issues and Prevention Programs
- Food and Basic Supplies Donations



SOCIAL DEVELOPMENT		
EDUCATION		
PROGRAM	2013	DESCRIPTION
Education Scholarships	189	Primary to university level scholarships for entrance fees, supplies, tuition, uniforms, room and board, etc.
Computer Training Scholarships	31	Registration and Tuition.
San Rafael las Flores Teacher Co- sponsorship Program	= 31	Salary payment for teachers in collaboration with the municipality of San Rafael las Flores.
School Supplies Donations	1,828	Donations to 14 San Rafael las Flores communities.
Teacher Training	321	National Curricula on Science Training: Teacher Training through University del Valle de Guatemala.
Vacation & Summer School Programs	629	Extracurricular arts and sports enrichment programs in collaboration with Glasswing International and INTECAP.
Science clubs	340	Science training through Glasswing International.

HEALTH AND NUTRITION			
PROGRAM	2013	DESCRIPTION	
Health Campaigns	150	Prenatal health campaigns, including ultrasounds, lab services, nutrition and hygiene lessons, and nutrition kit donations.	
Health Fairs	300	Basic preventive medicine.	
Home Gardening Program	600	Training in home gardening, nutrition and hygiene.	
Women's Program	300	Hygiene, homecare and self-esteem workshops.	
Veterinary Services	656	Vaccination and pet care.	
Youth Prevention Programs	1,320	Youth prevention programs in collaboration with National Civil Police, the Minister of Health, and National Council of Young People. Support for youth camps and youth awareness campaigns.	
Health Workers Training Program	300	Proper patient care training to health care workers.	

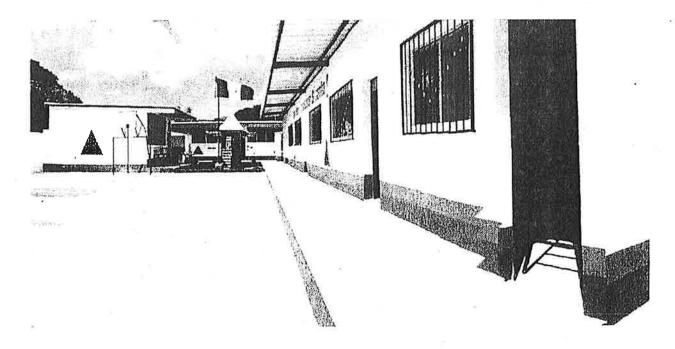
#### c) Governability

- i. Training for Community Development Councils (COCODES)
- ii. Support for Municipal Directorates on Planning
- iii. Supervised Professional Practice Internships Support for university students enrolled in architecture and social work programs in collaboration with San Rafael las Flores Municipality
- iv. Community and Departmental Development Council (CODEDE) Support

SOCIAL DEVELOPMENT				
GOVERNABILITY				
PROGRAM	2013	DESCRIPTION		
COCODE Training	120	Development program training for COCODE leaders in collaboration with various governmental agencies.		
Community Planning Assistance for Municipalities	5	Geographic Information Systems (GIS) training in collaboration with the Secretariat of Planning and Programming.		
Supervised Professional Practice (SPP) Internships for University Students	5	Architecture and social work internships.		
Support Activities for Departmental Technical Unit of Development Departmental Council (CODEDE)	3	CODEDE assistance with territory development and planning issues.		

#### d) Infrastructure Development

- i. Education
- ii. Health
- iii. Roadways
- iv. Recreational



INFRASTRU PROJECT	CTURE DEVELOPME COMMUNITY	ENT BENEFITED
Community Center	El Copante	347
Classroom & Bathrooms Renovations	Media Cuesta	1,241
Multipurpose Classroom Construction	Town Center	2,517
Soccer Field Renovations	La Cuchilla	249
Multipurpose Classroom Construction & School Renovations	Estanzuelas	623
School Bathroom, Kitchen, & Classroom Renovations	El Chan Grande	332
Road Paving (220 Meters)	El Quequexque	1,400
Water Distribution & Systems Training	Colonias Unidas	350
School Construction	Los Planes	279
School Bathroom, Kitchen, & Classroom Renovations	El Cielito	47
School Bathroom & Classroom Renovations	El Copante	347
School Kitchen & Perimeter Wall Renovations	Media Cuesta	1,241
Road Construction	Las Cortinas	1,300
School Bathroom, Classroom, & Sports Field Renovations	El Fucio	334
Cooperative Institute (Community Center) Facilities Renovations	Town Center	1,241
Community Water Systems Study	Barrio Oriental	500
Community Drainage & Pavement Studies	El Borbollon	200

#### 3. Risk & Compliance Management

Our commitment to conducting business legally and ethically is an ongoing process of internal alignment with our policies, best practices and international standards. This type of performance requires establishing functional systems, managing both positive and negative potential impacts, risk management, and strategy development. It also involves teamwork, CSR promotion throughout the company and capacity building throughout our supply chain. In addition, we strive to optimize our policies and measurement systems to ensure accountability for internal practices. Our Sustainability Department works closely with all other MSR departments to strengthen our governability, human resources practices, supplier requirements, environmental practices, and security procedures.

As part of this commitment, the company has a strong focus in limiting impact to the local communities and seeking opportunities to create maximum positive impact. Examples include economic development through local employment and inclusive business opportunities. In fact, since our arrival in the area, more than 100 new businesses have been established in San Rafael las Flores.

#### al Local Employment

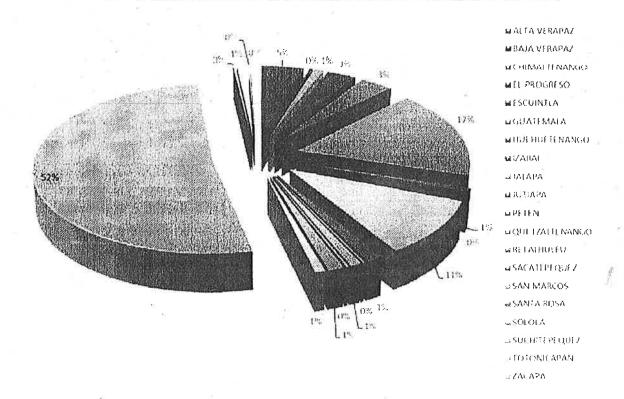
MSR has become a key provider of employment opportunities, not only in the region, but also in Guatemala. By the end of 2013, MSR employed a workforce of over 800, 96% of whom were Guatemalans. From the department of Santa Rosa, MSR employed over 400 workers (52%), and of these, 86% are workers from San Rafael las Flores.

In addition, MSR has hired workers from most departments in Guatemala, making MSR one of the few companies with an impact at the national level. In fact, in 2013, approximately USD\$10,650,000 was paid in employee salaries, directly benefitting approximately 4,000 families.

Our employees know that MSR meets or exceeds Guatemalan labor laws; MSR has become known as a great place to work. Besides receiving all work benefits allowed by law, our employees also receive private medical and life insurance, as well as free professional health care services at El Escobal's on-site clinic.



#### **Employment Distribution by Place of Origin**



#### 4. Local & National Communication and Capacity Building

Communication plays an important role in MSR's sustainability efforts, both internally and externally. Internally, we have been actively implementing a number of communication tools to keep our employees well-informed and to receive constructive feedback. In addition, we have implemented an ambitious external communications strategy for reaching the public with facts about El Escobal. From our door-to-door and local home visits to our professionally produced media campaigns, our communications efforts are designed to inform and create an open dialogue about El Escobal.

Since the beginning of its operations, MSR has always been focused on maintaining open and direct communication with our communities and other strategic stakeholders. In order to more effectively reach our stakeholders in an ethical and responsible manner, we implemented a "multi-faceted" communications strategy, focused on reaching media organizations, local, regional, and national governments, and other influential stakeholders, such as "think tanks", universities, business development organizations, and opinion leaders. By doing this, we've achieved an integrated plan that has allowed us to strengthen our relationships with a broad range of stakeholders.

During 2013, a number of activities were implemented to proactively interact with our communities and stakeholders, and to provide information about El Escobal and the mining industry.

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- i. Journalist Workshops: MSR sponsored three Professional Skills Workshops for media journalists and reporters in Santa Rosa, Jalapa and Jutiapa. Nationally recognized Guatemalan journalist, Ana Carolina Alpirez, taught these workshops to a total of 32 attendees. The workshops were designed to give the journalists additional training in investigative reporting. The workshops were also an opportunity to provide the journalists with factual information about the mining industry and its many benefits to local and regional communities. By sponsoring the workshops, MSR not only had the opportunity to provide comprehensive information about El Escobal, but also to extend personal invitations to the journalists for a mine tour.
- **ii. Buenos Dias Newspaper:** To support our regional communication objectives and engage our audiences in Santa Rosa, Jalapa and Jutiapa, MSR's Buenos Dias newspaper was redesigned in 2013. The new Buenos Dias includes contributions from local and regional professional journalists who contribute articles about the region. The partnership with local journalists has strengthened MSR's relationships with both local journalists and communities.
- iii. El Escobal Mine Journalist Tours: One of the most effective outreach programs has been the journalists' mine tours. Journalists are able to view first-hand how MSR operates and gain a better understanding of El Escobal. During 2013, 24 journalists toured El Escobal, including reporters, news editors and media directors.
- iv. Hablemos de Mineria (Let's Talk about Mining): In October 2013, Colombian and Argentinean industry experts visited Guatemala and presented a roundtable discussion to openly discuss mining issues and good mining practices throughout Latin America. The roundtable included a number of stakeholders at the local, regional and national level, who heard factual information from authoritative third-party experts. The discussion was organized in conjunction with the Chamber of Industry.
- v. Hydro-Industria Event: Organized by the Guatemalan Exporters Association (AGEXPORT), this event recognized Guatemalan companies who support sound environmental and water practices. As the official event sponsor, MSR was invited to present the keynote address, where we explained our industrial process to local, regional, and national authorities, community leaders, business representatives, environmental groups and the general public.
- vi. Producción Más Limpia Event (Cleaner Production): Similar to Hydro-Industria, this event was organized by the Guatemalan Chamber of Industry in order to recognize Guatemalan companies with environmentally responsible industrial processes. As an event cosponsor, MSR designed an information booth where event attendees received information about MSR and our important environmental standards and requirements.
- vii. Communication Campaign: Communication is a key component of MSR's CSR Strategy. One comment frequently heard from various stakeholders was that, in order to make more evident the benefits MSR is bringing to communities, the company needed to inform the public about its many CSR successes. To that end, in 2013, MSR launched a comprehensive media campaign designed to inform stakeholders at the local, regional and national levels about the company's CSR initiatives and projects related to its Social Investment Strategy.

# III. Partnerships

MSR has endeavored to forge alliances with other agencies, groups, and organizations in order to more effectively implement our CSR programs. To date, in our CSR efforts, we've collaborated with the following co-partners:

- 1. San Rafael las Flores Municipality
- 2. Departmental Government of Santa Rosa
- 3. Secretary for Planning & Programming (SEGEPLAN)
- 4. Presidential Secretariat for Executive Coordination (SCEP)
- 5. National Council on Youth (CONJUVE)
- 6. Santa Rosa Ministry of Public Health and Social Assistance (MSPAS)
- 7. Guatemalan Ministry of Education (MINEDUC)
- 8. National Civil Police (PNC) Crime Prevention Unit
- 9. National Forestry Institute (INAB)
- 10. Guatemalan Government Inter-Institutional Office for San Rafael las Flores
- 11. Technical Institute on Training & Productivity (INTECAP)
- 12. University del Valle de Guatemala (UVG)
- 13. Glasswing International
- 14. San Rafael las Flores Small Farmers Association (ASAS)
- 15. Mataquescuintla & San Rafael las Flores Livestock & Agriculture Association (AGAMAS)
- 16. San Rafael las Flores Small Entrepreneurs Association (APESF)
- 17. National Association of Municipalities of the Republic of Guatemala (ANAM)
- 18. La Paleta
- 19. San Carlos Alzatate Municipality
- 20. Santa Cruz Naranjo Municipality
- 21. Barberena Municipality
- 22. Cuilapa Municipality
- 23. National Coordinator for Reduction of Disasters (CONRED)
- 24. Operation Blessing
- 25. First Lady's Secretary for Social Welfare (SOSEP)



# IV) Summary of Impacts

Both directly and indirectly, our community presence and social investment efforts have benefitted community education, business development, and area commerce that are unprecedented in the region.

Here are just a few of El Escobal's impacts:

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- New Businesses Openings: During the brief time MSR and El Escobal have been in the area, a number of entrepreneurial startups and businesses have opened in San Rafael las Flores. In fact, during 2012 and 2013, over 125 new businesses opened for commerce, reflecting a rate of more than one new business per week. These businesses include hardware stores, restaurants, hotels, banks, markets, and apparel stores.
- Mine Suppliers: One of the greatest impacts to the area economy is the number of local vendors who supply goods and services to El Escobal. By the end of 2013, 213 local and regional companies had a direct supplier relationship with the company. In order to meet MSR's technical and legal requirements and be approved to supply El Escobal, our suppliers undergo a comprehensive review process to ensure compliance, not only with our internal requirements, but also with Guatemala's labor laws and regulatory framework.
- Direct Employment: By the end of 2013, MSR directly employed over 800 workers, 96% of whom were Guatemalan citizens. From the department of Santa Rosa alone, MSR employed over 400 workers, and of these, almost 375 were from the municipality of San Rafael las Flores. MSR has become one of the leading Guatemalan companies to draw workers from across the country.
- Solid & Transparent Relations: As part of our ongoing engagement plans, we have opened a number of successful communication channels with government agencies and institutions, local and regional private sector industries, universities, community leaders and business development organizations. By keeping our goal of transparent relations and open communication at the forefront, we have successfully built solid partnerships and established our credibility, not only locally, but also regionally and nationally.
- Attention to Social Needs: Since the start of El Escobal, MSR has actively paid close attention to the needs and requests of local communities. We have worked to build strong relationships and establish MSR as a strategic ally for community development initiatives. MSR has assisted communities with school renovations, health care and teacher training, entrepreneurial and business development, sports and extracurricular activities, community social celebrations, and more.
- Agriculture and Livestock Efforts: During 2013, MSR became the primary supporter in the region's efforts to fight the devastating coffee plant rust disease. This fungus, affecting coffee growers throughout Latin America, has damaged many regional coffee plantations and impacted the income of local and regional coffee growers. As part of our community outreach program, MSR provided training, agrochemicals, and fungus-resistant coffee plants to more 1,700 small to medium coffee growers. In addition to other efforts to support area agriculture and farming, MSR provided important livestock veterinary services and clinics for regional farmers.

- Reforestation Program: As part of our alliance with the National Institute of Forests (INAB), MSR, with the help of local volunteers, planted more than 100,000 tree seedlings in 2013. This alliance allowed MSR to exceed its original commitment to Guatemala to plant 50,000 seedlings. Most planting areas were also registered in Guatemala's Forest Incentive Program (PINPEP), aimed at replanting and maintaining 270 hectares of new forest growth.
- Vocational Training Center: In 2013, MSR, in collaboration with the Guatemalan Technical Institute (INTECAP), set an important precedent with the construction and opening of the region's first vocational training center. The center provides training in a number of areas, including apparel construction, jewelry-making, welding, and English language skills. The almost 7,000 sq. ft. vocational center is aimed at providing area residents with marketable and sustainable skills, so they can better provide for their families over the long term.

## V. Looking Forward

MSR is committed to operating as a first-class company. For us, the way we conduct our operations goes well beyond the "business-as-usual" approach. We have incorporated sustainability, respect for human rights, and CSR throughout the fabric of our company.

We are pleased with the positive social contributions we have made in local communities, and we look forward to continuing our efforts. In the coming years, we will continue to build on these early contributions, as we promote sustainable business development and social programs in our areas of influence. Our projects seek long-term benefits, and with time, the positive impact we are making will become more evident.

We invite those interested in the development of San Rafael las Flores and surrounding communities to join us. We look forward to creating more strategic partnerships and providing benefits to local communities.

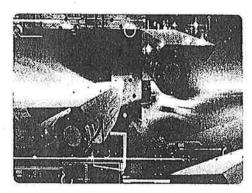


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Home / Operation / Facilities Security

Facilities Security:



GolanGroup is an acknowledged leader in facilities security management and security threat assessments, Our teams of expert security professionals perform detailed evaluations of high-rise, high-occupancy, public-access office buildings and government facilities, including brokerage firms, financial institutions, and manufacturing companies. We will critically examine all facilities, systems, and high-value assets; give you a detailed security risk assessment based on your business requirements; and provide proven methods for enhancing security and managing your risks.

Facilities security assessments and the overall management plan for security include detailed evaluations of security requirements, focusing on threats and vulnerabilities, policies and procedures, personnel response, mechanical and electronic security measures, access control, employment of closed circuit television, alarm systems and other measures necessary to ensure detection, assessment, response, delay, and neutralization of potential adversaries. All vulnerabilities and associated risks are identified; sequenced and recommended countermeasures are selected such as, improvements to facilities, equipment, personnel, plans, and procedures.

These initial critical facilities assessments are specifically designed to determine the state of security for the client's facilities, systems, networks, and high value assets based on specific operational requirements. GolanGroup then conducts a thorough review of operations vulnerabilities through review of current corporate policies, standard procedures, staff interviews, and premise surveys. Ultimately, these assessments provide a risk management view of the total facility operational environment's vulnerabilities. GolanGroup can then design a customized implementation plan to address in-depth facilities safe shield technologies, employee training programs and ongoing management of the total facilities security program.

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This is Exhibit "H" referred to in the affidavit of Donald Paul Gray sworn before me in Reno, Nevada, this 24th day of November, 2014.

A Notary or Commissioner for taking Affidavits in the State of Nevada.



This is Exhibit "1" referred to in the affidavit of Donald Paul Gray swom before me in Reno, Nevada. this 24th day of November. 2014.

A Notary or Commissioner for taking Affidavits in the State of Nevada.

HEIDI NASH
Notary Public - State of Nevada
Appointment Recorded in Washoe County
No: 91-2645-2 - Expires January 1, 2016

US\$1: Q7.78443

#### ESCAPARATE



#### **Empresarios** piden retirar túmulos

Transportistas dicenque 110 obstáculos en via encarecen viale

DEPARTAMENTAL / 22

#### Mapa señala situación en la provincia

Prevalece probreza en Alta Verapaz, Sololá y

MUNDO ECONÓMICO / 24



#### Mes de visitar los museos

Durante mayo todos los recintos estári fistos para recibir a visitantes.

**CULTURA / 36** 

#### Cobaneros enfrentan a La Gomera

Cuartos de final de la Pemera División se inician hoy

TODODEPORTES / 50



#### **POLÍTICA/**

Senador de EE. UU., Bob Menéndez, hablará sobre asuntos de segundad

Un huracán en Saturno puede ayudar a para comprender los que se dan en Tierra



#### La huella de la familia

Desde la niñez hasta la edad adulta, el núcleo familiar marca al ser humano



WAN ØIFRA



#### PRIMER PLANO

Editor general (2019) 300 (2004) 500 Mesa Central de Redacción: Editora Jefa de Redacción: (2004) 500 (2005) 2005 (2005) Editor de Cierra Issue (3 1) el coma



UNOS DOS mil agentes de la Policía Nacional Civil participaron en el operativo para liberar a 23 de sus compañeros retenidos en la aldea Laguna El Pito, Jalapa.

## GOBIERNO DECIDIRÁ EN UNAS 48 HORAS SI

# MP pide capturar

Disturbios dejan dos muertos y siete autos destruidos.

#### POR GRUPO SEGURIDAD Y JUSTICIA Y CORRESPONSALES

El Ministerio Público (MP) pidió ayer la captura de 18 personas que estarían involucradas en la retención de 23 agentes de la Policia Nacional Civil (PNC) en la aldea Laguna El Pito, Jalapa, quienes fueron rescatados ayer, y en los destrozos de al menos siete vehículos, tres de ellos en la aldea Sabana Redonda, San Rafael Las Flores, Santa Rosa.

Durante los disturbios, originados por la oposición a las operaciones de la mina San Rafael en Santa Rosa, murió un agente de la Policía identificado como Eduardo Demetrio Camacho Orozco, de 40 años.

Además, un campesino perdió la vida cuando un contingente policial liberó a los policías que habían sido retenidos en Jalapa.

La noche del lunes último, 23 agentes de la PNC



TRES VEHÍCULOS propledad de la minera fueron quemados en los disturbios en Santa Rosa.

se movilizaban a la cabecera de Jalapa cuando fueron interceptados por un grupo de campesinos en el cruce a la aldea Laguna El Pito.

Ayer unos dos mil agentes al mando de Gerzon Oliva, director de la Policía, incursionaron en la aldea a las 6 horas para rescatarlos. El enfrentamiento con los pobladores duró unos 20 minutos.

En el hecho resultaron heridos 10 agentes, dos de ellos de gravedad, quienes fueron trasladados al Instituto Guatemalteco de Seguridad Social y al Hospital Nacional de Jalapa. Según los pobladores, también murió un campesino.

Los heridos son Francisco Santos Solval, 36; Sa-muel Eliseo Orozco Hernández, 28; Carlos Heriberto Pérez López, 38; Érick Orlando Ramírez Falla, 33; Carlos Vásquez Gregorio, 28; Jorge Kevin González Botello, 26; Francisco Antuche, 42; Alejandro Quina, 31; Álvaro Ramírez Porras, 34, y Julio César Xu Mejia, 34.

Un policía relató a Prensa Libre que fueron unas mil personas las que rodearon los autopatrullas.

Explicó que a ellos los obligaron a descender de los cuatro vehículos en que se transportaban. "Intentamos reac

reaccio-

VICEMINISTERIO

#### Cometen delito

di Juárez, viceministro de Go-A bernación y gulen acudió a Jalapa, informó que 10 agentes resultaron heridos al llegar a liberar a sus compa-Aeros y que las personas que los retenían cometleron un delito por haberles robado sus armas.

nar, pero ellos eran muchos. Yo llevaba el control del grupo y decidí que te-níamos que acceder a lo que exigían", dijo.

Refirió también que varios de los manifestantes portaban fusiles de asalto y otros tenían machetes y palos, por lo que evitaron tomar acciones que enardecieran los ánimos.

"Nos lo quitaron todo. Creimos que no nos pa-saría nada, pero los pobladores se pusieron agresivos y nos golpearon", afirmó el entrevistado.

Los comunitarios los tuvieron retenidos en una cancha de baloncesto y los despojaron de bocachas para lanzar bombas lacrimó-

#### **LOS DAÑOS**

Un policía y un campesino muertos son el saldo de disturbios

- Pobladores robaron 23 pistolas, ocho bocachas y un arma LT·1.
- En Jalapa fueron destruidos tres autopatrullas y un microbús de la Policia Nacional Civil.
- En Santa Rosa destruyeron un camión pequeño, un picop y un vehículo de la mina.
- En la ruta a la mina permanecian campesinos enardecidos.



FAMILIARES DEL agente Eduardo Camacho, quien murió en Santa Rosa, lloran durante el homenaje póstumo, en la Dirección General de la PNC, zona 1.

# DECRETA ESTADO DE EXCEPCIÓN

# a 18 por retención

Área de conflicto 75 Los disturbios ocurrieron en la aldea Sabana Redonda, San Rafael Las Flores, Santa Rosa, y la liberación de los policías fue en Jalapa. EL PROGRESO GUATEMALA Sanyuyo 1 Divisadere Tatasirire JALAPA escuintia Mata Mina San Rafael San Rafael Las Flores SANTA ROSA CUILAPA () UTEARA El 12 de enero último En la aldea Laguna murieron dos guardias privados cuando varios El Pito, Jalapa, estuvie-rorrsetenidos 23 agenindividuos atacaron la tes de las Fuerzas Esmina San Rafael, en San potitadores del lugar. Rafael Las Flores, Santa

La mina se dedicará a explotar oro y plata.

Infografia Premia Libre: ROSANA ROJAS

MINA

#### Siguen labores

ndrés Dávila. vocero de la mina San Rafael, dijo ayer que las labores dentro de la empresa continúan.

Añadió que los compañeros del policia Eduardo Camacho no pudleron sacarlo del lugar porque estaban cerradas las rutas.

genas, chalecos para portar equipo y municiones. teléfonos y sus documentos de identificación.

Otro agente relató que los pobladores les decian que no saldrían vivos del lugar. "Nos confundieron y creyeron que fbamos a desalojar a las personas que mani-festaban contra la minería", dijo el policía.

#### **EN SAN RAFAEL**

Mauricio López Bonilla, ministro de Gobernación, contó que en San Rafael Las Flores, un grupo de personas empezaron a atacar las casas y los vehículos de trabajadores de la mina.

### Jefe de seguridad es enviado a El Boquerón

DETENIDO

Iberto Rotondo, consultor de segurldad de la mina San Rafael, en Santa Rosa, fue enviado a la cárcel El Boquerón.

Rotondo fue capturado ayer en el Aeropuerto Internacional La Aurora. cuando pretendia tomar un vuelo con destino a Chile. El Ministerio Público lo señala como responsable de haber ordenado el ataque armado contra pobladores de San Rafael Las Flores, Santa Rosa, que el 27 de abril último manifestaban contra las operaciones de la empresa.

La Fiscalía lo acusa de homicidio en grado de tentativa, ya que el ataque indiscriminado dejó como resultado seis manifestantes heridos de bala.

El detenido fue presentado al Juzgado Segundo de Instancia Penal, pero a solicitud del ente investigador el caso fue trasladado al Juzgado de San ta Rosa, donde Rotondo rendiră su primera declaración,

Por ese hecho el juzgado de turno de la capital ordenó la captura de otras tres personas



ALBERTO ROTONDO es Italiano.

En los disturbios murió el agente. "El policía recibió un impacto de bala en el pecho y falleció

en el lugar", expresó. Cuando los agentes llegaron fueron recibidos a balazos, explicó el funcionario.

Según la Policía, los disturbios comenzaron cerca de la medianoche del lunes último, cuando grupos de personas con los rostros cubiertos con gorros pasamontañas y armados irrumpieron en tres viviendas donde se hospedaban empleados de la minera y les prendieron fuego a los inmuebles y saquearon las pertenencias de los colaboradores.

Vecinos del sector que pidieron el anonimato dijeron que escuchaban gritos y balazos.

Leonel Morales, alcalde de Jalapa, expresó que la situación es preocupante.

"Es lamentable, y lo único que le pedimos a la población es que guarde-mos la calma. Recordemos nuestra cultura pacífica, lo bueno que los antepasados nos dejaron", refirió.

El jefe edil afirmó que la comuna permanecerá cerrada toda la semana, por seguridad de los colaboradores.

#### **DECLARAN ANTE JUEZ**

Los integrantes de las Fuerzas Especiales Policiales (FEP) que estuvieron retenidos declararon ayer en el Juzgado Primero A de Mayor Riesgo

La jueza Carol Patricia Flores Polanco escuchó el testimonio de los agentes a las 15.30 horas.

A solicitud del MP, Flores Polanco declaró la reserva total del caso, por lo que solo las víctimas, agentes fiscales y quie-nes sean capturados tendrán acceso al proceso.

El MP pidió que se es-cuchara a los agentes como prueba para solicitar las capturas de 18 personas que participaron en su

La Fiscalía considera víctimas a los agentes, ya

que fueron privados de su libertad por más de 14

#### **EVALÚAN MEDIDA**

El Gobierno evaluaba aver decretar estado de Excepción en Santa Rosa y Jalapa. El ministro Gobernación informó que se reunió con fiscales del MP para llegar a un acuerdo. Explicó que en un lapso de 48 a 72 horas definirán la medida.

López Bonilla responsabilizó a Roberto González Uselo, presidente del grupo Parlamento Xinca, y a Rigoberto Aguilar Uselo de liderar al grupo que retuvo a los

agentes y del robo de 23 pistolas.

"En consecuencia se puso una denuncia en contra de Roberto González Uselo, por secuestro y plagio. Lo hago responsable públicamente, primero por la situación de agresión, y segundo, por asociación ilicita", dijo.

Refirió que González Uselo no actuó solo, sino junto a otras personas, a quienes están tratando de identificar.

#### ANTECEDENTES

El funcionario expuso que estos hechos ocurren desde el año último, ya que el 19 de noviembre del 2012, pobladores robaron explosivos de un convoy que se dirigía a la mina. Además, el 12 de enero

de este año hubo un ataque, en el cual murieron guardias de seguridad privada.

"En los cuatro eventos, incluido el de ayer, lo que ha habido es una exhibición de capacidades, planificación, coordinación, de ejecu-ción y, por supuesto, de supervisión de las cosas", explicó.

Refirió que "esto no lo están haciendo comunitarios sencillos que se oponen a un proyecto minero, sino gente que tiene conocimientos de cómo llevar a cabo las cosas".

This is Exhibit "J" referred to in the affidavit of Donald Paul Gray swom before me in Reno, Nevada, this 24th day of November, 2014.

A Notary or Commissioner for taking Affidavits in the State of Nevada.

HEIDI NASH

Notary Public - State of Nevada Appointment Recorded in Washoe County No: 91-2645-2 - Expires January 1, 2016

# Pobladores de Xalapán retienen a 23 policías; Ministro los acusa de plagio

El problema se registró horas después de que el Presidente firmara un convenio con representantes de la mina San Rafael y varios alcaldes de Santa Rosa y Jalapa. sorta muscrii

mendo de peredo com gl

Anoche, al cierre de la edición, 23 agentes de la Dirección de Fuerzas Especiales Policiales (Difep), permanecian retenidos por un grupo de pobladores de Santa Maria Xalapán, Jalapa, Los agentes fueron interceptados cuando retornaban de la cabecera departamental hacia la ciudad capital. El viceministro de Gobernación, Edy Juárez, responsabilizó a Roberto González Ucelo, uno de los líderes xincas del lugar, "del plagio de los agentes", ya que aseguró que los policias no realizaban ninguna acción en contra de los pobladores, solo pasaban por el lugar.

Daniel Pascual, del Comité de Unidad Campesina (CUC), dijo que la comunidad se percató de que el contingente iba desalojar a un grupo de campesinos que permanecen en resistencia pacífica frente a la mina San Rafael, por lo que interceptaron la caravana.

El ministro de Gobernación, Mauricio López Bonilla, aseguró que giró instrucciones al Director de la Policia para interponer una exhibición personal de los agentes y una denuncia ante el Ministerio Público en Jalapa, en contra de los líderes, ya que considera que se trata de un secuestro.

#### FIRMAN CONVENIO

Horas antes de este hecho, el Ejecutivo, los alcaldes de Jalapa, Santa Rosa y representantes de la Minera San Rafael



Que no se nos olvide el incidente donde murieron guardias de seguridad de la mina, hay antecedentes violentos en esa zona".

Mauricio López Sonilla,

CANADAGA



Estos son algunos de los polícias que llegaron a la cabecera de Jalapa por la mañana y permanecen retenidos 🗇

#### LA MINA SAN RAFAET EN NÚMEROS

**US\$0.35 centavos** que reciba por ventas serán para impuestos y contribucioses

Q625 millones anuales en impuestos y regalías

Q27 millones a cada municipio (seis municipios)

Q352 millones en Impuesto Sobre la Renta

Q72 millones de IVA

2,800 empleos generará Inversión:

Q3.2 millardos en construcción

Q856 millones en equipo y maquinaría

Q200 millones en compras y servicios de operacion

Q65 millones se quedan en San Rafael Las Flores (esto es 11 veces más de lo que recibe del Estado)

firmaron un convenio de regalías voluntarias por Q5.5 millones. "Los alcaldes no están solos, están autorizados por los concejos municipales, por eso están aqui", dijo el mandatario.

Los datos de los ingresos que percibirá el Estado por la instalación de la mina fueron explicados uno a uno por el Presidente, quien no mencionó, durante su discurso, el ataque del 27 de abril contra seis pobladores de San Rafael Las Flores. Hasta que fue cuestionado. "El sábado se dio un incidente y pueden ver eran muy pocas personas, pero los grupos que se oponen son cada vez más pequeños. La actividad minera va a cuidar el ambiente con responsabilidad y generarin 2 mil 800 empleos. En esa área no hayotra forma en que se puedan dar esa cantidad de empleos", indicó.

Por este hecho, cuatro de los seis heridos llegaron a la unidad del Instituto Nacional de Ciencias Forenses (Inacif) del Ministerio Público, para ser evaluados por el médico forense. Yuri Melini, director del Centro de Acción Legal Ambiental y Social (CALAS), acompañó a las personas y advirtió que denunciará a la Minera San Rafael.

# El Ejecutivo se defiende por compras de la SAAS

Acción Ciadadana y Nineth Montenegro aseguran que los procesos de compra de dicho ente generan dudas. SOFIAMENTAD

sten nusicipenden typal

El secretario general de la Presidencia, Gustavo Martínez, defendió la forma en que la Secretaría de Asuntos Administrativos y de Seguridad (SAAS) realiza las adquisiciones, y aseguró que existió una mala interpretación de la información.

"El inciso del Artículo 44 de la Ley



en compras direc-

tas por la SAAS.

de Contrataciones que tomaron no es el correcto. Le dieron un enfoque que no muestra lo que está aconteciendo", señaló. El párrafo que citó es el 1:10: La compra y contratación de bienes, suministros y servicios con proveedores únicos. La calificación de proveedor y servicio único o exclusivo se hará conforme el procedimiento que se establece en el reglamento de esta ley. Por ese motivo no es necesario tener un acuerdo gubernativo, indicó.

Martínez se refiere a la nota publicada ayer por elPeriódico, donde se señala que la SAAS ha realizado 190 compras directas, que suman más de Q10 millones, y cinco contratos por excepción por un total de Q6 millones. En cinco concursos solo participó un oferente.

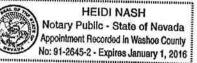
Marvin Flores de Acción Ciudadana, y Nineth Montenegro, diputada de Encuentro por Guatemala, coinciden en que los procesos de compra de la SAAS generan "dudas".

"Nadie puede creen el nivel de incidentes que se dan y por eso podríamos pensur que hay corrupción. No importa de qué artículo hablen, está en juego la integridad del Gobierno", opinó Flores La legisladora comentó que la Ley se volvió una figura "decorativa", ya que el 96 por ciento de las compras, arrendamientos, se hacen por excepción (sin licitar), "Se ha llegado a la perversión extrema y ha quedado como figurón", criticó.

Flores y Montenegro esperan que la Contraloría General de Cuentas ratifique que no hay nada ilegal en la SAAS. Al ser cuestionado por el tema, el presidente Otto Pérez Molina se abstuvo de responder. "Creo que el Secretario de la SAAS es el que debe responder por esas actividades", dijo el mandatario.

This is Exhibit "K" referred to in the affidavit of Donald Paul Gray sworn before me in Reno, Nevada, this 24th day of November, 2014.

A Notary or Commissioner for taking Affidavits in the State of Nevada.



# LÍDERES XINCAS ESPERAN RESULTADOS DEL GOBIERNO

# Gobierno insiste en vinculación criminal

Otto Pérez Molina, presidente

Dos dirigentes dicen que les informaron sobre muertes en sus comunidades.

Aquí ha habido una serie de hechos delictivos que se mezclan con crimen organizado, lo que ha provocado hasta anarquía".



bierno de demostrar si realmente hay bandas de delincuentes, pero eso lo di-

rá el tiempo".

Roberto González, del Parlamento Xinca

Es la oportuni-

dad del Go-



El presidente Otto Pérez Molina y el ministro de Gober-nación, Mauricio López Bonilla, informaron ayer que el estado de Sitio to decidieron tras una investigación del Ministerio Pú-blico (MP) que aportó "pruebas suficientes" de que una estructura criminal utilizó el pretexto de la mina en Santa Rosa para cometer varios delitos.

Ambos aseguraron que el MP desarrolló la investigación du-

rante más de seis meses. "El resultado de esa investigación nos puede mostrar que esto no necesariamente ha sido todo relacionado con la mina San Rafael, como algunos grupos quieren decir, sino que aquí ha habido una serie de hechos delictivos que se mezclan con crimen organizado y con otro tipo de intereses, que han provocado hasta anarquía en esa región del país", afirmó el mandatario en

conferencia de prensa. El gobernante y el ministro señalaron que ha habido asesinatos, secuestros, asociación ilícita, robo de armas, destrucción de bienes del Estado y prohi-bición ilegal de paso, e incluso la presencia de sicarios y una estructura vinculada con los Zetas.

"Siete de las órdenes de cap-tura están dirigidas a sospechosos de plagio y sicariato", añadió Pérez Molina. Los explosivos robados el año

pasado, y los fusiles AK-47, esta semana, son los principales indicios de las autoridades para

señalar al crimen organizado. Según López Bonilla, algunas personas forman parte de una estructura vinculada con el grupo de narcotraficantes los Zetas en Jalapa. Agregó que con los allanamientos podrían conocerse más órdenes de captura.

El presidente aseguró que dialogan con las autoridades eclesiásticas de Jalapa y de Santa Rosa, con el apoyo de la Nun-ciatura Apostólica. También



UNA TANQUETA del Ejército, del tipo Armadillo, cuando avanzaba ayer hacia Mataquescuintia, Jalapa, durante las primeras horas del estado de Sitlo impuesto para frenar hechos violentos.

descartó que se quiera "limpiar el camino" para la operación de la minera San Rafael.

#### **NIEGAN ACUSACIONES**

Prensa Libre entrevistó a dos líderes xincas que tienen orden de captura desde el pasado lunes, quienes dieron su versión de los hechos. Ambos aseguran que respetarán el estado de Sitio y podrían entregarse voluntariamente para aclarar su situación.

Para el presidente del Par-lamento Xinca, Roberto González Ucelo, acusado por López Bonilla de haber liderado las revueltas en Santa María Xalapán, el estado de Sitio será "la oportunidad para que -la Policía- los capture -a los narcos-, si realmente los tiene identificados".

"He pedido -a la población— que guarde la calma, que deje a las autoridades hacer su trabajo. Si no encuentran lo que han anunciado que hay, le tendrán que pedir disculpas al pue-blo", afirmó González.

Aseguró que no participó en la quema de vehículos, y tiene pruebas, que presentará en las próximas horas, de que no se encontraba en Jalapa. González también negó ha-

ber participado en la retención de policías, porque se había aceptado una mesa de diálogo desde el lunes último para evitar acciones violentas.

Rudy Pivaral, del Comité de Defensa de la Vida y la Na-turaleza de San Rafael Las Flores, señaló que todo comenzó con una manifestación pacífica para exigir la captura del jefe de seguridad de la empresa minera, cuando recibieron información de que habían matado a seis vecinos de Xalapán, "Ahí se cal-dearon los ánimos", afirmó.

Agregó: "Lo que pudimos hacer fue que salimos a la carretera. La gente comenzó a manifestarse, y empezaron a quemar llantas para protestar por las muertes en Xalapán. De la misma manera, en Xalapán agarraron unas patrullas, porque les dijeron que aquí en San Rafael

habían matado a seis".

Pivaral recordó que durante la protesta llegaron 20 hombres armados y con chalecos antibalas, que no eran del área, y se unieron a la manifestación. Aseguró que esos individuos quemaron dos viviendas y los vehículos en el ingreso a San Rafael Las Flores.

"La gente -ahora- está indignada, porque han ido a catear casas que nada qué ver con nin-gún conflicto", expresó Pivaral. El Comité Coordinador de

Asociaciones Agrícolas, Comerciales, Industriales y Financieras respaldó la medida del Gobierno, mediante un comunicado, debido a los hechos de violencia. y demandó la investigación y condena de los responsables de esos crimenes.



DIPUTADOS NO apoyan decisión del Elecutivo.

# Rechazo a medida impuesta

POR JESSICA GRAMAJO

Diputados de varias bancadas opositoras y el pre-sidente de la Comisión legislativa de Derechos Humanos, Pedro Gálvez, rechazaron la declaratoria de estado de Sitio en Jalapa y Santa Rosa, y coinciden en que se debió agotar el diálogo.

Amílear Pop, diputado de Winaq, aseguró que la medida declarada "es una expresión de la incapacidad de este gobierno de generar mecanis-mos de diálogo, de respeto a la democracia y a los derechos humanos. Es expresión de fuerza Es irracional". Roberto Villate, jefe del

bloque Libertad Democrática Renovada, indicó: "Este es un gobierno militar confrontativo y de choque que no bus-ca el diálogo. Su intención es reprimir, porque es lo único que saben hacer".

Gálvez manifestó: "Es indispensable que se respeten los derechos humanos de los guatemaltecos. Esperamos que no se violenten ni se abuse a la población".

Carlos Mejía, de la Unidad Revolucionaria Nacional Guatemalteca, aseguró que el estado de Sitio es para defender a la empresa minera y en detrimento de la población que se ha pronunciado contra su instalación.

Valentín Gramajo, jefe del Partido Patriota, afirmó: "El estado de Sitio fue una propuesta del Ejecutivo, pero hay que ver que ha habido violencia en esos municipios. Se tiene que proteger à los ciudadanos honrados. La iniciativa aún no ha llegado al Congreso".

Organizaciones sociales exigieron al Congreso que impruebe la ley que le daría vida a la medida de excepción y amenazaron con acciones de inconstitucionalidad si es aprobada.