

[Activists file securities complaints against Vancouver miners](#)

Complaints argue Tahoe Resources and Pan American Silver failed to properly inform shareholders of mining conflicts in Guatemala

By [Hayley Woodin](#) | January 3, 2019, 8:38am



Activists are calling on Canadian and U.S. securities commissions to investigate two Vancouver-registered mining companies for what they say is a failure to properly inform shareholders of conflicts concerning Guatemala’s Escobal mine – one of the largest silver mining projects in the world.

Canada’s Justice and Corporate Accountability Project (JCAP) has filed complaints with the British Columbia Securities Commission (BCSC) and the US Securities and Exchange Commission (SEC) against Tahoe Resources Inc. – which owns the mine – and Pan American Silver, which announced its intention to acquire Tahoe late last year.

The complaints come six days ahead of a special shareholders meeting on January 8, when Pan American shareholders will vote on capital and share issuance resolutions – requisites for the company’s acquisition of Tahoe, which is expected in 2019.

The acquisition is significant: it will double Pan American’s silver reserves, and give the Vancouver-based company the largest share of silver reserves in the world, in large part because of Tahoe’s trouble Escobal mine, which has had its operations suspended since July 2017.

In September of last year, Guatemala’s Constitutional Court ruled that Escobal’s operations are to remain suspended until the country’s Ministry of Energy and Mines adequately consults with the local Xinca indigenous communities – a process required under the International Labour Organization’s Indigenous and Tribal Peoples Convention (ILO 169), which Guatemala has ratified.

Pan American told Business in Vancouver late last year that it will be following the legal path that has been laid out, will conduct additional community consultations and is confident it will be able to reopen the mine.

JCAP claims Pan American has misled shareholders by taking an unjustifiably optimistic view of the situation. It also argues the company has failed to disclose that the start of the court-ordered consultation process has been accompanied by conflict with Xınca communities.

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