



August 2, 2024

Chief, Special Procedures Branch  
Office of the United Nations High Commissioner for Human Rights  
Palais des Nations  
CH-1211 Geneva 10, Switzerland

**Re: United Nations Special Rapporteur on Human Rights Defenders**  
**Ref: AL OTH 10/2024**

To the Office of the United Nations High Commissioner for Human Rights (OHCHR) Special Procedures Branch

Belo Sun Mining Corporation (“Belo Sun”, “we”, the “Company”) has reviewed the allegations in your letter of March 12, 2024, about the Company’s business conduct at its Volta Grande Project (Projeto Volta Grande - “PVG”) in the State of Pará, Brazil. We appreciate the opportunity to address these allegations, which we are confident the information in this response will show, are groundless and without merit. Belo Sun respects those protecting and defending human rights and the environment, and those who contribute to the protection and betterment of local communities and Indigenous Peoples and their right to enjoy a safe, clean, healthy and sustainable environment. The Company welcomes an informed debate about PVG and regrets that opponents of the project continue to spread misinformation about PVG and Belo Sun’s business practices.

### **About Belo Sun Mining**

Headquartered in Toronto, Canada, Belo Sun is a Toronto Stock Exchange (“TSX”) listed and OTCQB Venture Market (“OTCQB”) traded development and mineral exploration mining company. Belo Sun’s common shares trade on the TSX under the ticker symbol “BSX” and on the OTCQB under the ticker symbol “BSXGF”. Belo Sun’s principal asset is the Volta Grande Gold Project (PVG), located in Brazil in the State of Pará, near the city of Altamira. PVG is a planned open pit mining project with a mineral resource estimated in the Feasibility Study containing 4.95 million ounces in measured and indicated resources and 1.15 million ounces in inferred resources. The Feasibility Study demonstrates that PVG has positive economic potential with an estimated mineral reserve of 3.79 million ounces.



Belo Sun is progressing PVG towards construction and has successfully completed the EIA (Environmental Impact Assessment), the LP (Licença Prévia - Preliminary Licence), the PBA (Plano Básico Ambiental – Basic Environmental Plan) and the LI (Licença de Instalação - Construction Licence, currently subject to a suspension order) with the State of Pará permitting authority SEMAS (Secretaria de Meio Ambiente e Sustentabilidade do Estado do Pará - Secretariat of Environment and Sustainability of the State of Pará). The Company has also completed its required ECI (Estudo do Componente Indígena - Indigenous Study) with the Federal Indigenous authority FUNAI (Fundação Nacional dos Povos Indígenas). In a September 2023 court ruling (see Belo Sun press release dated September 12, 2023), the permitting authority was changed from SEMAS to the Federal authority IBAMA (Instituto Brasileiro do Meio Ambiente e dos Recursos Naturais Renováveis - Federal Brazilian Institute of the Environment). In that same ruling, the court affirmed that the licenses issued in the past by SEMAS should remain in place and that the Company is not required to resubmit its applications for those permits to IBAMA.

Belo Sun has a current market capitalization of approximately CAD 20M. The Company has 11 internal consultants and employees in Canada and 28 internal consultants and employees in Brazil. In addition, it retains a number of geologists, engineers, employees, and other consultants on a contract basis, as required. More information about Belo Sun can be found on our website: <https://www.belosun.com/>.

### **About the Volta Grande Project (Projeto Volta Grande – PVG)**

PVG (100% owned by Belo Sun) is located in the Municipality of Senador José Porfírio, approximately 49 kilometers southeast of the city of Altamira (est. pop. 150,000), in the Midwest region of the State of Pará. Altamira is a prosperous regional center with excellent infrastructure. The development of PVG is the Company's primary focus and is an advanced-stage development project with a completed National Instrument 43-101 Feasibility Study showing robust economics with a long mine life and gold mineral reserves currently estimated at 3.79 million ounces.

The EIA, LP, LI, ECI, and PBA of PVG are based on technical studies and scientific evidence, conducted by experts and were approved by the technical agencies of the government – SEMAS and FUNAI. Any potential adverse impacts of the project were addressed in these studies including prevention and mitigation steps.

PVG has the support of the Ministry of Mines and Energy, local authorities, Indigenous leaders and Peoples from the two main Indigenous lands, and the villages of Ressaca, Ilha da Fazenda



and Galo in the project's area of influence. In the fall of 2022, those Indigenous Peoples, the Juruna Indigenous People and the Arara da Volta Grande do Xingu Indigenous People, ratified the Company's consultation process in compliance with International Labour Organization Convention 169 (ILO Convention 169) and the Company's ECI (Process SEI-FUNAI 08620.019136/2012-40, SEI-FUNAI documents 3928398 and 3956044).

As the Company's LI is suspended, there is no construction underway at PVG, nor is there a mine in operation. If and when construction begins, it could take approximately 24 to 30 months to build and commission the mine.

The construction and operation of PVG is forecast to generate significant economic and employment benefits for the region and for the people of Pará and Senador José Porfírio, including:

- The creation of approximately 10,000 direct and indirect jobs during construction.
- Six hundred direct jobs and an additional 1,500 indirect jobs during operations.
- An economic boost of over R\$1,5 million daily in the regional economy during construction and operation through salaries, general costs, and taxes.
- Royalties to be paid once in operation.
- Mineral production tax payments estimated at R\$25-30 million annually.
- An estimated average yearly investment of more than R\$50 million in purchases from local suppliers.
- Prioritization of hiring local professionals and providing job training, with more than 25 courses offered in partnership with institutions such as – Sebrae (Serviço Brasileiro de Apoio às Micro e Pequenas Empresas - Brazilian Service of Support to Micro and Small Companies), Redes, SENAI (Serviço Nacional de Aprendizagem Industrial - National Service of Industrial Education) and SENAR (Serviço Nacional de Aprendizagem Rural - National Service of Agrarian Education).
- An estimated increase in the GDP of Senador José Porfírio Municipality (22,000 inhabitants), from R\$40 million to R\$1 billion annually, the same value as the current GDP of the regional hub of Altamira with a population of 120,000 inhabitants.

In addition to the economic benefits, Belo Sun is committed to best in class mining practices, community engagement and environmental conservation, including the following anticipated initiatives:

- The regularization of mining activities and combating the use of mercury in the region.



- Environmental recovery of areas degraded by illegal mining and deforestation (riparian forests on the Xingu River).
- Implementation of a tourist project for ReBio (Biological Reserve), Tabuleiro do Imbaubal, to encourage and assist with the nesting of Amazon Turtles.
- Implementation of a conservation and recovery project at ReBio Igarapé- Nazaré in the Senador José Porfírio Municipality.
- Support for local efforts to combat illegal deforestation.
- Adopting “zero discharge” practices, which will recycle water from mining operations and effluents for reuse in the industrial process.
- Reducing PVG’s carbon footprint by using renewable energy sources to reduce fossil fuel use – for example, using hybrid or electric vehicles and the installation of solar panels in PVG facilities.
- The construction of public facilities such as schools, health units, a cultural center, and a landfill in the local municipality.
- Implementation of an emergency response coordination function.
- Improving road infrastructure and traffic movement in the region.
- Strengthening the network of specialized labour suppliers in the State of Pará.
- Promotion of local development and technical assistance to expand local production chains.
- Participation in, and support for, the vertical integration of the gold production chain in the State of Pará.
- Support for INCRA (Instituto Nacional de Colonização e Reforma Agrária – National Institute for Colonization and Agrarian Reform) in accelerating land regularization and titling of more than 3,000 settler families.
- The establishment of a local development fund to contribute to local community associations.
- Continuous dialogue and engagement with local communities and Indigenous Peoples.
- Adaptation and monitoring of PVG’s social-environmental programs.

The discussions on specific commitments to the Indigenous Peoples, the Arara and the Juruna, are well advanced. The ECI, which was approved by FUNAI and the Indigenous Peoples, establishes the guidelines for the compensation programs. One of the main ideas discussed with the Indigenous Peoples is the creation of a dedicated fund for their communities.



### **Allegations of intimidation**

Belo Sun operates in compliance with Brazilian law, respecting the legal and human rights of all stakeholders. The Company is unaware of any substantiated allegations of intimidation by its security contractor. It is the Company's understanding that there have never been any criminal lawsuits regarding the conduct of the security contractor at PVG, and, to our knowledge, the security contractor has never been charged by the authorities with an offense with regards to PVG.

In that context, we call your attention to the comments of the Ministry of Human Rights and Citizenship, which is monitoring PVG under the "Program for the Protection of Human Rights Defenders, Journalists and Environmentalists (PPDH)". In response to AL BRA 01/2024 the Ministry reported:

*"The Program is closely following the progress of the Volta Grande mining project, as well as the legal complaints filed against the project, concerning the level of consultation with Indigenous peoples and local communities, as well as its environmental impact assessment. To date, the PPDH has not received requests for inclusion in the program from Indigenous or local community leaders related to the aforementioned situation."*

The Brazilian Government is legally and institutionally well-equipped to deal with environmental and human rights offenders. The fact that PPDH, which has existed since 2016, has not received requests for inclusion from any PVG stakeholder is credible evidence that Belo Sun does not intimidate anyone, be it human rights defenders, local people or anyone else. All relations between the Company and the local people are based on the principles of responsibility, transparency, good faith and objectivity.

The Company does not engage in, nor will it tolerate, any effort to intimidate or silence opponents of its project. The Company uses security only for the protection of its people and assets, to meet its responsibilities as a federal land concession holder and to prevent the incursion of mechanized illegal mining and logging operations onto PVG lands. Any incidences of mechanized illegal mining are reported to the police.

Belo Sun increased security at the PVG site in response to the illegal invasion and occupation of some PVG lands on June 5, 2022, an occupation which continues today. This illegal invasion and encampment have reportedly resulted in an increase in disorderly conduct and criminal activity in the area to the detriment of local communities and local citizens.



The Company's security contractor is properly trained and meets all the requirements of Brazilian laws and authorities to operate in the country. Their operations are reported on a daily basis and reviewed by the Company's security and legal staff. The guards are not allowed to enter, and never have entered, Indigenous lands, particularly those of the Juruna and Arara Peoples in the project vicinity.

In a recent ruling on a case filed by the Federal Public Defender Office (Defensoria Pública da União - DPU), case no. 1003722-53.2021.4.01.3903, the Federal Judge of Altamira acknowledged that there is no evidence that the security guards were/are threatening the local communities.

The Company has no knowledge of the alleged "serious threats" made against opponents of the project or of the alleged incident of an opponent of PVG being forced to leave the area in May 2020 and, therefore, cannot comment on these claims. Nor can the Company comment on the actions of third parties other than to say that the actions attributed to these parties, should those actions, in fact, have happened as described, were not encouraged, supported, or endorsed by the Company. Regarding the incidents at the Federal University of Pará, and in the Municipality of Senador José Porfírio, to the best of the Company's knowledge these incidents did not result in any criminal lawsuits, which calls into question the credibility of these allegations. Nor has there been any evidence to support any claims of physical assault or violence.

The Company recognizes that because of its location, PVG is a controversial project. It is also a well-regulated project overseen by competent federal and state authorities. In addition, it is a heavily scrutinized project that has been targeted by numerous national and international environmental, human rights, anti-mining, and anti-development NGOs. Given the extensive negative and biased commentary about the project, the number of reports that have been written about the project or in which the project is referenced, the number of lawsuits filed against the project, the claim by opponents of PVG that they are being intimidated into silence and that their voice is being suppressed strains credibility.

### **Allegations of Inadequate Consultation**

Contrary to what is alleged, the Company's consultations with the relevant local Indigenous Peoples fully complied with ILO Convention 169 and followed, step by step, the process defined by the Protocols of Consultation of the Juruna (Yudjá) Indigenous People (Protocolo de Consulta Juruna - Yudjá), created by this Indigenous community in 2017 (Process SEI-FUNAI 08620.019136/2012-40, SEI-FUNAI document 0447024).



It is true that the licensing process that began in 2013 was found to have not met the ILO Convention 169 standards. The ECI (Estudo do Componente Indígena - Indigenous Study) presented in 2016, which was based on that process, was, therefore, not approved, which was one of the reasons for the 2017 judicial decision to suspend the LI (Licença de Instalação - Construction License). Subsequently, however, the Company took all steps necessary to correct the deficiencies in the consultation process, which were primarily related to the use of secondary data in the study. The process restarted in March 2018 and involved FUNAI and the Company, with FUNAI overseeing the consultation process and the Company being responsible for the ECI. All fieldwork and consultations respected the provisions of the aforementioned Protocols of Consultation of the Juruna (Yudjá) Indigenous People and the Indigenous Peoples fully participated in all phases of the process.

The process involved, among other things, extensive meetings with the Indigenous Peoples in the PVG area of influence. During the consultations, about one-third of the total Indigenous population (ranging from 16 to 69 years of age) participated in the impact assessment process, with the majority of the adult population being actively involved. In 2019, workshops on topics identified by the Indigenous Peoples as being of particular interest or concern to their communities were held. These sessions were devoted to answering questions about such things as dam safety, waste disposal and containment and the use of cyanide in the mining process. Site visits were carried out in 2018 and 2019, and in 2019, nine members of the Arara People and twelve members of the Juruna People, with their trusted consultants, made two guided visits to the Tucano Mine in Macapá, in the Brazilian State of Amapá.

In addition, the consultation process included several meetings with the participation of the Federal Public Prosecution Office (Ministério Público Federal - MPF), Federal Public Defender Office (Defensoria Pública da União - DPU) and members of NGOs. All the prerequisites of ILO Convention 169 were respected. Both the Arara and Juruna Peoples had adequate time to discuss and reach an agreement about the study, and the impacts and the conditions for licensing PVG. The conditions they imposed to accept the project were clearly stated:

- To identify the trusted consultants to support the Indigenous Peoples during the next phase of the licensing CI-PBA (Componente Indígena do PBA - Indigenous Component of the Environmental Plan).
- Construction must not begin before their approval of the CI-PBA.
- The next phases will only start with the definition of a baseline for environmental monitoring.
- The project must not use any water from the Xingu River or any of the Xingu River's tributary streams.



Upon concluding the consultation process, the Company completed the ECI, which was formally submitted and approved by FUNAI in December 2021. Following the preliminary approval in March 2022 from the Volta Grande do Xingu Indigenous Peoples, in the fall of 2022, they provided a letter to FUNAI ratifying the approval in compliance with ILO Convention 169 (Process SEI-FUNAI 08620.019136/2012-40, SEI-FUNAI documents 3928398 and 3956044).

Subsequently, in March 2023, Belo Sun submitted the work plan for developing the CI-PBA to FUNAI. As of the time of writing, FUNAI has yet to respond to the Company's submission.

Regarding the allegation that the Company has not adequately consulted riverine communities, it should be noted that the Brazilian courts have addressed this issue and have ruled in the Company's favour.

In August 2020, the DPE (Defensoria Pública do Estado do Pará – Pará State Public Defender Office) filed a request for a preliminary injunction with a local Altamira Judge (Agrarian Court – State Circuit) against the State of Pará and the Company to suspend the environmental permitting process and its LP and LI based on a report submitted by the NGO Association Interamericana for Environmental Development (“AIDA”) which criticized the licensing process on the grounds that the self-identified riverine communities living along the Xingu River were not consulted in accordance with ILO Convention 169 in the PVG permitting process that was conducted by SEMAS. The Company responded to this request with full documentation that all communities in the area of influence of PVG were fully consulted and considered in the impact assessment and in the LP and LI application. The State of Pará also contested the injunction, and the State's position was consistent with the defense presented by the Company. Both the State of Pará and the Company presented technical and legal evidence that the allegations made by AIDA were false.

On May 24, 2022, an interim suspension order was issued in this matter by a judge of the Agrarian Court of Altamira against the LI and LP. This order was issued pursuant to a request made by the DPE in August 2020 based on the alleged potential impact of the project on the people living along the Xingu River.

On July 20, 2022, the Supreme Court of Pará State overturned the suspension order issued on May 24, 2022, on the grounds that there was no evidence of damage or harm to the riverine communities and that they were properly consulted as part of the environmental studies conducted by the Company. The Supreme Court of Pará State also ruled that the decision of the Agrarian Court caused damage to the Company and stated that there should be no



obstacles for the Company to continue with the environmental licensing process while complying with the legal requirements determined by the applicable environmental and judicial authorities. While the initial suspension order remains in effect, the Brazilian courts have confirmed the adequacy of the Company's consultation process.

On further note, the Court of the State of Pará established the understanding that ILO convention 169 is legally accepted in Brazil by interministerial ordinance 60, which in its legal text restricts its application to "*quilombolas*" and Indigenous People. In addition, the judicial panel, consisting of three judges, unanimously agreed that the judge of the Agrarian Court should not have required the consultation, since although traditional, the riverside communities "does not meet the tribal characteristics", an indispensable requirement to be covered by the ILO convention 169.

The Court also acknowledged and emphasized that the Company proved that it had conducted more than 70 acts of consultation with the communities (including the "*ribeirinhos*") located on the banks of the Xingu River within a radius of 10 km from the project area during the licensing process, always under the supervision of SEMAS, the environmental agency responsible for licensing at the time.

All the Company's consultation activities were held in accordance with specific Brazilian legislation and involved the direct participation of the population in the protection of environmental quality, including public hearings, participatory workshops and meetings.

### **Allegations regarding the Company's lawsuit in response to the illegal occupation of PVG lands**

The March 12<sup>th</sup>, 2024, letter claims that "*In recent months, human rights defenders have also been targeted through an allegedly spurious legal procedure.*"

Firstly, it is important to mention that those participating in the occupation of PVG lands which is the subject of the lawsuit, are not local people from the region, but are from other cities such as Anapú and Parauapebas, other regions of the state of Pará and other states in Brazil.

There is nothing "spurious" in the legal action the Company took against the people illegally encamped on its lands and against the anti-mining groups that support them. While the occupation and encampment are alleged to be in the name of land reform, the clear intent is to not only have the INCRA agreement nullified but also to have the Company's permits revoked. In that context it is worth noting that the contract with INCRA remains valid and in place and the



Institute has confirmed that the people illegally encamped on PVG land are not registered as beneficiaries of agrarian reform, nor are they eligible to be settled in Settlement Projects in the region. INCRA advised the trespassers of these facts during a visit to the encampment on September 8, 2022.

Also, it is unfair to say that the Company has “targeted” these trespassers. It is their own illegal actions that have made them the subject of the lawsuit, not any malicious scheme on the part of the Company.

The illegality of the land invasion and occupation was confirmed in a decision by a judge from Senador Jose Porfirio, who ruled in favour of the Company in a civil suit (repossession claim) brought by the Company against the occupiers, which resulted in the issuance of an eviction order by the Court, (Case No. 0800186-77.2022.8.14.0058). The order has not been enforced. The Company is of the view that this is an illegal occupation, which has been ongoing for almost two years and not 10 days as stated in the information provided by the Alliance for the Volta Grande do Xingu. Because of its duration (more than two years), the occupation is not covered by the constitutional right of manifestation and protest but constitutes possessory theft and poses a risk to the peace and security of local communities which have reportedly experienced an increase in disorderly conduct and criminal activity since the start of the occupation. There have been several complaints of violations committed by the occupiers including complaints of serious crimes, made to the police by local community members.

The local communities, especially the residents of Vila Ressaca, are strongly opposed to the occupation and to the "Nova Aliança" campsite, and have asked the authorities to immediately remove the occupiers.

As for the legal basis for the Company’s lawsuit, in addition to the already recognized civil infraction of the occupation, the conduct of these persons constitutes a violation of the provisions of Article 161, II, of the Brazilian Criminal Code, which provides as follows:

***Art. 161 - Suppressing or displacing a siding, marker, or any other sign indicating a dividing line in order to appropriate, in whole or in part, another person's immovable property:***

***Penalty - imprisonment, from one to six months, and fine.***

***Paragraph 1 - The same penalty shall be incurred by those who:***



[...]

**II - invades, with violence or serious threat, or with the concurrence of more than two persons, another person's land or building for the purpose of possessory robbery.**

As for the participation of the NGOs and their directors, although they are not encamped and directly involved in the ongoing illegal occupation, there is abundant evidence, as can be gleaned from the reading of the criminal complaint filed by the Company and the accompanying documents, which are public and can be accessed by any person (Case No. 0800424-62.2023.8.14.0058), that such people and organizations provide moral, material and logistical support – in the form of visits and delivery of supplies to the camp and public letters of endorsement – for the maintenance of the criminal occupation of PVG land. These actions make them co-authors of the crime under the terms of Article 29 of the Brazilian Criminal Code, which provides as follows: **"Art. 29 – Whoever, in any way, contributes to the crime is subject to the penalties imposed thereon, to the extent of their culpability."**

The Company's lawsuit is well founded in law. It is a measure provided for by law to combat a crime, for which there is just cause and sufficient evidence of authorship and materiality of the criminal practice in relation to the defendants. It is not an attempt to criminalize anyone but a measure to hold those who have committed a criminal act responsible. Though the Company believes in the right for groups to voice their opposition of the project, there are no persons or institutions above the law or beyond the rule of law.

Moreover, the offense reported in the lawsuit is considered a "small crime" in Brazil. The first step in the process involving this type of charge is to have a preliminary hearing for negotiation and, eventually, conciliation between the parties. It is the Company's hope that a conciliated resolution of the matter can be achieved through good faith negotiations.

It is important to note that on March 15, 2024, as part of the legal process demanding cancellation of the INCRA agreement, the CCA (Câmara of Conciliação Agrária - Agrarian Conciliation Chamber) of INCRA, the MDA (Ministério de Desenvolvimento Agrário e Agricultura Familiar - Ministry of Agrarian Development and Family Agriculture), the Ministry of Justice, and the Federal Police did an inspection of the occupied area. Following this visit, the trespassers in the camp ("Nova Aliança") moved to build more shacks and expand the size of the encampment in violation of the Company's legal right of use and to the detriment of the local communities.



## **Community Engagement Practices**

For over twelve years, the Company has established a climate of transparency and trust with communities around PVG by being open and approachable and regularly engaging with anyone who may be impacted by its activities.

Since day one, the Company has operated an information office located in the Ressaca Village near the PVG site to improve communication between the Company and the local communities.

Belo Sun is also helping to improve the local population's access to public services such as health care and education by assisting the municipality with health initiatives, programs, and events. When requested, Belo Sun will assist with the transport of doctors, nurses, dentists and teachers to the area. Among other things, these efforts promote good health standards in the Volta Grande area.

Most recently, Belo Sun has been involved with the following initiatives in the local communities:

- Conducted a flu vaccination campaign for our employees.
- Supported a breast cancer event with the municipality.
- Assisted in the transportation of community leaders to Altamira when requested.
- Supported a tree-planting event with the local school.
- Supported the National Service for Rural Learning and the Association of Residents in delivering training programs in the use of machines for small farmers.
- Supported a football tournament by donating uniforms and food to the teams.

The Company is also investigating a benefit fund for the Indigenous Peoples and local communities. The fund would be financed from net profits from PVG and would provide financial resources to assist in local community and Indigenous Peoples' projects.

For a small junior mining company with limited financial resources and a project in development but not yet under construction, Belo Sun has a robust presence and is making a positive contribution to the socio-economic well-being of its host community.

## **Mitigating Environmental Risks & Preserving the Xingu River**

The Company has never attempted, either directly or indirectly, to prevent any person or group from expressing concerns about the potential environmental impact of the proposed mine. In fact, as part of the permitting process conducted to date, there has been a consultation process



allowing for environmental concerns to be addressed by stakeholders. The level of awareness and discussion about these concerns contradicts the claim of suppression or intimidation.

The Company regrets that much of the concern about potential negative environmental impacts has been caused by fearmongering around worst-case scenarios. This ignores the fact that Belo Sun has proposed to build a mine designed and engineered to significantly mitigate risk and minimize the operation's impact on the Xingu River.

For example:

- PVG will use a closed-loop water management system. All water used at the mine will be sourced through rainfall capture and retention and will be perpetually recycled between the tailings impoundment and the processing plant. This will allow the mine to operate without taking any water from the Xingu River or from other water bodies in the region.
- PVG will not cause flooding or alter the flow of the Xingu River.
- PVG will construct an engineered tailings dam on solid rock in a natural valley in a highly stable geological zone. The dam will have a downstream design, which is the safest type of dam in the industry and will be overseen by an independent Tailings Management Review Board.
- Belo Sun is a signatory to the International Cyanide Management Code and will apply for full membership on commencement of operations.
- Belo Sun is committed to supporting reforestation and to helping mitigate the damage caused by illegal mining in the region.

Because the mine will not take water from the Xingu River and will not alter the flow of the river, the operation will not compound the negative impacts on the Xingu River and its contiguous communities that allegedly have been caused by the Belo Monte dam.

The Company continues to consider opportunities to reduce PVG's carbon emissions footprint, and to measurably minimize noise and dust emissions once in development, through the evaluation of reduced truck and haulage requirements, and the use of alternative energy sources.

We believe we have designed an operation that reflects our strong commitment to responsible mining. It will minimize the environmental risk to the river and to the local communities while optimizing the economic, financial, and employment opportunities that a developing and producing mine will create.



## Summary & Conclusion

The Company firmly rejects the allegations detailed in the March 12, 2024, letter to the Company. We always conduct our business in compliance with the law and regulations of our host governments, with respect for our local communities and in conformity with best mining practices and standards. We would have welcomed the opportunity to address the allegations against the Company with the Special Rapporteurs had they taken the time to visit PVG and to meet with PVG management and our security contractor during their trip to Brazil or during Ms. Lawlor's visit to Toronto in June, 2024. The Company remains available to discuss all these matters and hopes the Special Rapporteurs will avail themselves of that opportunity after they have reviewed the Company's response.

Contrary to what is alleged:

- The Company has done nothing either directly or indirectly to intimidate or suppress opponents of PVG. The Company is unaware of any substantiated allegations of intimidation by its security contractor.
- The Company's consultation process, which was overseen by FUNAI, complied with ILO Convention 169, and respected and followed the process defined by the Protocolo de Consulta Juruna (Yudjá)
- The Company's ECI, which was formally submitted to FUNAI in December 2021, was approved by FUNAI, in compliance with ILO Convention 169, and was approved by the Juruna and Arara Indigenous Peoples in 2022.
- The Company's lawsuit against the trespassers and their supporters is substantive and warranted.
- The Company continues to have positive relationships with the Indigenous Peoples in the PVG area and the local communities. The Company invests in programs to support community development, expand opportunities and improve the quality of life in the PVG area.
- The proposed mine is designed and engineered to minimize environmental risks. The operation will not take water from the Xingu River or any other water body in the region and will not cause flooding or alter the flow of the Xingu River.

Belo Sun has been a responsible developer and is committed to being a responsible mine operator. The Company believes that well-regulated, responsible mining operations can make a safe and positive contribution to improving the quality of life and creating new opportunities for



all people in its host region. We will continue to work to progress PVG for the benefit of all its stakeholders.

Thank you again for the opportunity to address these unfounded allegations against our Company.

Belo Sun Mining Corp.