

OPEN LETTER

June 7, 2016

‘OpenCanada’ website flouts reporting standards to recycle untrue and defamatory activist claims against Ivanhoe Mines and Ivanplats

Attention:

Taylor Owen, Founder and Editor-in-Chief, OpenCanada,
and Eva Salinas, Managing Editor

It is fittingly ironic that the word “responsibility” features so prominently in the headline, “***Between rock and responsibility***”, on the article published on the OpenCanada website on June 3, 2016. The article, written by Toronto lawyer and self-described “human-rights activist” Josh Scheinert, purports to discuss the role of Jeffrey Davidson, the Canadian Government’s Corporate Social Responsibility Counsellor for Canada’s Extractive Sector.

In fact, the article also features irresponsible misrepresentations and a biased disregard of essential facts and balance, serving as a mouthpiece for the unfounded allegations of a well-known activist against the Platreef mine project in South Africa. Platreef is being developed by Ivanplats (Pty.) Ltd., of South Africa, which is 64%-owned by Canada-based Ivanhoe Mines Ltd.

OpenCanada readers, members of the public and the Government of Canada should know that:

1. OpenCanada’s author Scheinert found plenty of time to speak and email with activists as far away as South Africa, but evidently made no attempt to contact Ivanhoe Mines or Ivanplats to hear the truth about the Platreef Project’s corporate social responsibility commitments and achievements before his article was published.
2. Author Scheinert devoted more than 500 words to unquestioningly publicize the allegations of activists against the Platreef Project, including falsehoods previously publicly documented by Ivanhoe Mines and Ivanplats. However, the author allowed just 10 words in a token, parenthetical response to the allegations, apparently composed by the author, which quoted a total of just two words from comprehensive rebuttals that he knew had been previously published by Ivanhoe/Ivanplats.
3. The article inexcusably failed to report that 26% of the Platreef Project is owned by 20 host communities, representing a total of approximately 150,000 people, as well as historically disadvantaged project employees and local entrepreneurs, as part of a broad-based, black economic empowerment (B-BBEE) initiative. Ivanplats achieved Level 3 status in its first verification assessment on a B-BBEE scorecard in 2015, the highest-ranking platinum-sector mining company in compliance with South Africa’s black empowerment laws. Ivanplats again achieved Level 3 status in February 2016, further demonstrating the company’s dedication and commitment toward transformation on all levels of business.

4. The article also failed to report that Ivanplats has held more than 350 public consultation meetings in communities around the Platreef Project during the past three years as the company has worked to build understanding and support. This was achieved despite the actions of opposing activists in deliberately disrupting some meetings in their attempts to prevent open discussions and exchanges of information.
5. Contrary to critics' claims accepted and advanced by OpenCanada, Ivanplats has demonstrated the utmost respect for historical gravesites and has fully complied with all prescriptions laid down by the relevant authorities. Furthermore, Ivanplats did fence off the sites once the required permissions were obtained from next-of-kin and the South African Heritage Resources Agency (SAHRA) provided inputs during the Environmental Authorization application that was conducted as part of the mining-right application process. More recently, SAHRA has furnished Ivanplats with the permits required for grave relocations, confirming that Ivanplats has adhered to, and complied with, all legal and regulatory requirements.
6. Author Scheinert parroted, without question, a virulently malicious allegation attributed to his principal activist contact, Aubrey Langa, who, with his cohorts, claims that "Ivanhoe's desire to stifle any opposition led to an attempted assassination of a local protest leader". Author Scheinert failed to report that there is not a scintilla of evidence to support this allegation and, in fact, there is nothing to support a claim of any association whatsoever between the incident and the Platreef Project. The wounding of the community activist in a reported incident at his house seven weeks ago apparently remains under police investigation.
7. Of course (speaking again of responsibility – and of irony), author Scheinert also failed to report that the same Mr. Langa had publicly stated in a Canadian news release last month that it would be "irresponsible" to suggest that Ivanplats had a role in the reported attack on the activist. Author Scheinert also failed to report that the Bench Marks Foundation, a prominent organization run by South Africa's churches, issued a public news release on April 22 declaring, in part, "We do not in any way suggest that the company (Ivanplats) was involved in the incidents" surrounding the community activist's injury. The news release added: "Any insinuation in earlier media releases is regretted and the Bench Marks Foundation apologizes for that."
8. Author Scheinert even chose not to provide an information link to the Ivanhoe Mines website (www.ivanhoemines.com/news/news-releases) in his article. Where were the OpenCanada editors? Had OpenCanada readers been directed to the Ivanhoe Mines website, some might have noticed several news releases and statements issued by the company during the past two years reporting on the Platreef Project's community initiatives, challenging the allegations and tactics of activists – including OpenCanada's prime source, Mr. Langa – and setting straight the public information record about the project. Instead, the OpenCanada article only included a link to a single Ivanhoe statement that was posted on an independent, mining information website.

So it must be stated again, for the record, that the recycled claims of activists published in the OpenCanada article, including allegations of bribery, corruption and failure to respect grave sites, are untrue and clearly defamatory. The fact that such claims have been republished in such circumstances, and in this context, makes OpenCanada's conduct all the more irresponsible.

It is apparent that in this instance OpenCanada is being used to peddle an activist-NGO line against Ivanhoe Mines and Ivanplats that cannot be supported as truthful and balanced by any objective consideration of the facts. OpenCanada should take responsibility and address the article's inherent failings for the public record, without delay.

Ivanplats has earned, and respects, the support of the overwhelming majority of the 150,000 residents of communities in the Platreef area. Critics of the Platreef Mine now under construction constitute only a small group, consistently numbering no more than 100 people, who stage protests. That group is led by individuals who have self-serving agendas and who do not have legitimate concerns relating to the community at large. These are just some of the facts being withheld from OpenCanada readers.

OpenCanada, either unwittingly or otherwise, contributed to these disinformation excesses, failing to warn any unsuspecting readers that its Scheinert article does not conform to standards of accuracy, balance and fairness that are foundations of professional journalism in Canada, and other nations. It appears that the author had editorial licence to spin opinion and selectively present claims, presumably serving somebody's agenda, in what is masqueraded as an information article.

We note that Taylor Owen, an assistant professor at the University of British Columbia, Canada, and the founder and Editor-in-Chief of OpenCanada.org, has declared that the OpenCanada editorial team's core mandate is to explain international affairs "in a fun, informative, visually dynamic and at times provocative way". Tellingly, there's no mention of respecting accepted journalistic standards, such as accuracy, balance and fairness. In this particular case, what Mr. Owen terms the OpenCanada "experiment" has proved to be an exercise in public deception.

Signed on behalf of IVANHOE MINES

Lars-Eric Johansson
President and Chief Executive Officer

Signed on behalf of IVANPLATS

Dr. Patricia Makhesha
Managing Director, Platreef Project