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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

[REDACTED]

Case No:

Plaintiff,

**CLASS ACTION COMPLAINT FOR  
VIOLATION OF THE FEDERAL  
SECURITIES LAWS**

v.

JURY TRIAL DEMANDED

GOLDCORP INC., CHARLES A.  
JEANNES, LINDSAY A. HALL,  
DAVID GAROFALO, and RUSSELL  
BALL,

Defendants.

Plaintiff [REDACTED] (“Plaintiff”), individually and on behalf of all other persons similarly situated, by Plaintiff’s undersigned attorneys, for Plaintiff’s complaint against Defendants (defined below), alleges the following based upon personal knowledge as to Plaintiff and Plaintiff’s own acts, and information and belief as to all other matters, based upon, *inter alia*, the investigation conducted by and through Plaintiff’s attorneys, which included, among other things, a review of the defendants’ public documents, conference calls and announcements made by defendants, United States Securities and Exchange Commission (“SEC”) filings, wire

1 and press releases published by and regarding Goldcorp Inc. (“Goldcorp” or the  
2 “Company”), analysts’ reports and advisories about the Company, and information  
3 readily obtainable on the Internet. Plaintiff believes that substantial evidentiary  
4 support will exist for the allegations set forth herein after a reasonable opportunity for  
5 discovery.

6 **NATURE OF THE ACTION**

7 1. This is a federal securities class action on behalf of a class consisting of  
8 all persons other than Defendants who purchased or otherwise acquired common shares  
9 of Goldcorp between March 31, 2014 and August 24, 2016, both dates inclusive (the  
10 “Class Period”). Plaintiff seeks to recover compensable damages caused by  
11 Defendants’ violations of the federal securities laws and to pursue remedies under  
12 Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”)  
13 and Rule 10b-5 promulgated thereunder.

14 **JURISDICTION AND VENUE**

15 2. The claims asserted herein arise under and pursuant to §§10(b) and 20(a)  
16 of the Exchange Act (15 U.S.C. §§78j(b) and §78t(a)) and Rule 10b-5 promulgated  
17 thereunder by the SEC (17 C.F.R. §240.10b-5).

18 3. This Court has jurisdiction over the subject matter of this action under 28  
19 U.S.C. §1331 and §27 of the Exchange Act.

20 4. Venue is proper in this District pursuant to §27 of the Exchange Act (15  
21 U.S.C. §78aa) and 28 U.S.C. §1391(b) as a significant portion of the Defendants’  
22 actions, and the subsequent damages, took place within this District.

23 5. In connection with the acts, conduct and other wrongs alleged in this  
24 Complaint, Defendants, directly or indirectly, used the means and instrumentalities of  
25 interstate commerce, including but not limited to, the United States mail, interstate  
26 telephone communications and the facilities of the national securities exchange.

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**PARTIES**

1  
2 6. Plaintiff, as set forth in the accompanying Certification, purchased  
3 common shares of Goldcorp at artificially inflated prices during the Class Period and  
4 was damaged upon the revelation of the alleged corrective disclosure.

5 7. Defendant Goldcorp engages in the acquisition, exploration,  
6 development, and operation of precious metal properties in Canada, the United States,  
7 Mexico, and Central and South America. The Company primarily explores for gold,  
8 silver, lead, zinc, and copper. The Company is incorporated in Ontario, Canada with  
9 principal executive offices located at Suite 3400 — 666 Burrard Street, Vancouver,  
10 British Columbia, V6C 2X8 Canada. Goldcorp common shares are traded on the New  
11 York Stock Exchange (“NYSE”) under the ticker symbol “GG”.

12 8. Defendant Charles A. Jeannes (“Jeannes”) served as the Chief Executive  
13 Officer (“CEO”) and President of GoldCorp from January 1, 2009 until February 29,  
14 2016.

15 9. Defendant Lindsay A. Hall (“Hall”) served as the Chief Financial Officer  
16 (“CFO”) of GoldCorp from April 19, 2006 until March 9, 2016 and also served as its  
17 Executive Vice President from March 3, 2006 until March 9, 2016.

18 10. Defendant David Garofalo (“Garofalo”) has been the President and CEO  
19 of Goldcorp since February 29, 2016.

20 11. Defendant Russell Ball (“Ball”) has been CFO and Executive Vice  
21 President of Corporate Development of Goldcorp since March 9, 2016.

22 12. Defendants Jeannes, Hall, Garofalo, and Ball are sometimes referred to  
23 herein as the “Individual Defendants.”

24 13. Each of the Individual Defendants:

- 25 (a) directly participated in the management of the Company;  
26 (b) was directly involved in the day-to-day operations of the Company at the  
27 highest levels;

- 1 (c) was privy to confidential proprietary information concerning the  
2 Company and its business and operations;
- 3 (d) was directly or indirectly involved in drafting, producing, reviewing  
4 and/or disseminating the false and misleading statements and information  
5 alleged herein;
- 6 (e) was directly or indirectly involved in the oversight or implementation of  
7 the Company's internal controls;
- 8 (f) was aware of or recklessly disregarded the fact that the false and  
9 misleading statements were being issued concerning the Company; and/or
- 10 (g) approved or ratified these statements in violation of the federal securities  
11 laws.

12 14. Goldcorp is liable for the acts of the Individual Defendants and its  
13 employees under the doctrine of respondeat superior and common law principles of  
14 agency because all of the wrongful acts complained of herein were carried out within  
15 the scope of their employment.

16 15. The scienter of the Individual Defendants and other employees and agents  
17 of the Company is similarly imputed to Goldcorp under respondeat superior and agency  
18 principles.

19 16. Defendant Goldcorp and the Individual Defendants are referred to herein,  
20 collectively, as the "Defendants."

## 21 SUBSTANTIVE ALLEGATIONS

### 22 Background

23 17. The Peñasquito gold-silver-lead-zinc mine (the "Peñasquito Mine") is  
24 wholly-owned by Goldcorp.

25 18. The Peñasquito Mine is located in north-central Mexico and is considered  
26 by Goldcorp to be a material mineral property.

27

28

**Materially False and Misleading Statements**

1  
2 19. On March 31, 2014, during aftermarket hours, the Company filed a Form  
3 40-F for the fiscal year ended December 31, 2013 (the “2013 40-F”) with the SEC,  
4 which provided the Company’s year-end financial results and position and stated that  
5 the Company’s internal control over financial reporting and disclosure controls and  
6 procedures were effective as of December 31, 2013. The 2013 40-F was signed by  
7 Defendant Jeannes. The 2013 40-F also contained signed certifications pursuant to the  
8 Sarbanes-Oxley Act of 2002 (“SOX”) by Defendants Jeannes and Hall attesting to the  
9 accuracy of financial reporting, the disclosure of any material changes to the  
10 Company’s internal controls over financial reporting, and the disclosure of all fraud.

11 20. Goldcorp’s Annual Information Form for the financial year ended  
12 December 31, 2013, attached as Exhibit 99.1 to the 2013 40-F, provided updates on the  
13 operations at the Peñasquito Mine and stated that “Goldcorp’s mining and processing  
14 operations and exploration and development activities are currently carried out in  
15 accordance with all applicable rules and regulations”, stating in pertinent part:

16 **Updated Technical Report for Peñasquito Mine**

17  
18 On January 8, 2014, Goldcorp announced that an updated NI 43-101  
19 technical report had been filed for the Peñasquito Mine. As detailed in the  
20 technical report, the 2014 and five-year production profile has been  
21 positively affected by the revised mine plan. The report indicates  
22 increased cash flows over the life of the mine, supporting the current  
23 carrying value of the Peñasquito Mine cash-generating unit. It also  
24 includes a reduction to the projected mine life from 19 years to 13 years  
25 because the final two phases of the previous ultimate pit and lower-grade  
26 mineralized material will not be mined or processed under current  
27 assumptions. A commensurate reduction in the Mineral Reserve estimates  
28 has resulted. The higher strip ratio pushbacks and lower-grade material  
requiring higher commodity prices to be economically processed has been  
re-classified as Mineral Resources

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*Hydrogeological Drilling*

A number of water wells have been completed in support of supply of the Peñasquito Mine’s water needs.

\* \* \*

The Peñasquito Mine operation was reviewed in 2013. The following deviations from the 2008 feasibility study assumptions, based on third quarter 2013 data, were noted:

- Changes to metal price and exchange rate assumptions;
- Changes to the value estimation methodology used in the Mineral Resource block model;
- Updates to the pit shell assumptions used in pit optimization;
- Updates, based on the current knowledge of processing and treatment costs, of the cut-off grade used to determine material sent to either the low-grade stockpile or the waste rock storage facilities;
- Updates to the mine plan such that only material with a low strip-ratio is considered to be mineable whereas previous studies have higher strip-ratio material included in the mine plan;
- Detailed plant throughput data on a fully representative set of production data indicated that the block-scale mineralogical variability was not captured at the sampling spacing available during the feasibility studies. Grade of payable elements was acceptable; however, there were some selective mining unit blocks that had significantly elevated potentially deleterious and penalty-incurring elements. This has resulted in a number of blocks falling below the current economic threshold used for the Mineral Reserves;
- Identification of these higher-penalty selective mining unit blocks has required modifications to in-pit sequencing and mine design so that the material is either not mined at all, or is sent to waste, or is sent to the low-grade stockpile;

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- Updates to metallurgical recovery assumptions. Earlier studies had assumed fixed recoveries, and these assumptions were replaced in 2013 by a set of recovery equations based on actual plant performance;
- Updates to the assumptions regarding treatment and refining costs; prior to 2013, these were assumed to be fixed;
- Changes to the classifications used for concentrates, such that there are five concentrate types in 2013;
- Updates to operating and general and administrative costs from 2006 to 2013;
- Updates to sustaining capital cost estimates from 2006 to 2013;
- Imposition by the Mexican authorities of a royalty on precious metals production from January 2014;
- Changes by the Mexican authorities to the taxation regime from January 2014; and
- Capital costs and operating costs for additional water infrastructure to support mine water supply and for the second tailings storage facility.

As a consequence, the estimates for the Mineral Resources and Mineral Reserves were revised, as documented in the Peñasquito Report. The mine plan was rescheduled based on the estimated Mineral Reserves available.

***Mining Operations***

*Mining Method*

Mine production during the first three quarters of 2013 was 167.2 million metric tonnes. For 2014, the throughput rate selected was based on the assumption that a 110 kilotonnes per day operation can be sustained using the available water well field. From 2015 onwards the operation is expected to benefit from the availability of a new water pipeline and the mine schedule reflects a throughput rate of 115 kilotonnes per day for the remainder of the mine life. The current mine plan is based on the 2013 Mineral Reserve estimates, and will produce oxide and sulphide material to be processed through the existing heap leach facility

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and sulphide plant respectively over a 13-year mine life (2014 to 2026). Material movement peaks in 2014 with 637,807 kilotonnes, decreasing to 179,646 kilotonnes in the last year of operation in 2026.

\* \* \*

***Government Regulation***

The mining, processing, development and mineral exploration activities of Goldcorp are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. Although **Goldcorp’s mining and processing operations and exploration and development activities are currently carried out in accordance with all applicable rules and regulations...**

\* \* \*

***Environmental Risks and Hazards***

Goldcorp’s operations are subject to environmental regulation in the various jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set out limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will likely, in the future, require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Goldcorp’s results of operations. Failure to comply with these laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may also be required to compensate those suffering loss or damage by reason



1 of the mining activities and may have civil or criminal fines or penalties  
2 imposed for violations of applicable laws or regulations. The occurrence  
3 of any environmental violation or enforcement action may have an  
adverse impact on Goldcorp's reputation.

4 [Emphasis added].

5  
6 21. Goldcorp's Management's Discussion and Analysis of Financial  
7 Condition and Results of Operations for the year ended December 31, 2013, attached  
8 as Exhibit 99.2 to the 2013 40-F, provided updates on the water wells near the  
9 Peñasquito Mine, stating in pertinent part:

10 Peñasquito continued to incrementally increase its fresh water production  
11 in 2013 from 69,500 to 77,000 cubic metres per day with the addition of  
12 eight new wells in the Torres-Vergel area and four new wells in the mine  
13 area. These new wells not only supplied water to replace the declining  
14 production in the existing well field, but allowed water production to  
15 increase above 2012 year end levels. This increase in water production  
16 combined with rigorous control of tailings management and improved  
17 efficiencies in the primary crusher and augmented feed circuit, allowed an  
increase in plant throughput from 99,945 tonnes per day in 2012 to  
106,200 tonnes per day in 2013.

18 \* \* \*

19  
20 Failure to comply strictly with applicable laws, regulations and local  
21 practices relating to mineral right applications and tenure, could result in  
22 loss, reduction or expropriation of entitlements, or the imposition of  
23 additional local or foreign parties as joint venture partners with carried or  
24 other interests. The occurrence of these various factors and uncertainties  
cannot be accurately predicted and could have a material adverse effect  
on the Company's operations or profitability.

25  
26 22. On March 18, 2015, the Company filed a Form 40-F for the fiscal year  
27 ended December 31, 2014 (the "2014 40-F") with the SEC, which provided the  
28 Company's year-end financial results and position and stated that the Company's

1 internal control over financial reporting and disclosure controls and procedures were  
2 effective as of December 31, 2014. The 2014 40-F was signed by Defendant Jeannes.  
3 The 2014 40-F also contained signed SOX certifications by Defendants Jeannes and  
4 Hall attesting to the accuracy of financial reporting, the disclosure of any material  
5 changes to the Company’s internal controls over financial reporting, and the disclosure  
6 of all fraud.

7 23. Goldcorp’s Annual Information Form for the financial year ended  
8 December 31, 2014, attached as Exhibit 99.1 to the 2014 40-F, provided updates of the  
9 operations at the Peñasquito Mine and stated that “Goldcorp’s mining and processing  
10 operations and exploration and development activities are currently carried out in  
11 accordance with all applicable rules and regulations”, stating in pertinent part:

12 Process and potable water for the Peñasquito Mine is sourced from the  
13 Torres-Vergel well field located six kilometres west of the Peñasquito  
14 Mine and permits to pump up to 35 million cubic metres per year from  
15 this source have been received. The existing supply of groundwater is not  
16 sustainable in the long term and has resulted in a reduction of plant  
17 throughput since 2013 due to lower than planned volumes from the current  
18 infrastructure. In 2012 and 2013, expansion to the current Torres–Vergel  
19 well field occurred. To allow plant production to return to design levels,  
20 an additional groundwater source within the Cedros basin has been  
21 identified. This area is named the Northern Well Field, and is  
22 approximately 60 kilometres northwest of the Peñasquito Mine and  
23 construction took place during 2014 and is anticipated to be completed in  
24 mid-2015. Once complete, the Northern Well Field is expected to meet  
25 the long-term water requirements for the Peñasquito Mine.

26 \* \* \*

27 ***Government Regulation***

28 The mining, processing, development and mineral exploration activities  
of Goldcorp are subject to various laws governing prospecting,  
development, production, taxes, labour standards and occupational health,  
mine safety, toxic substances, land use, water use, land claims of local

1 people and other matters. Although **Goldcorp’s mining and processing**  
2 **operations and exploration and development activities are currently**  
3 **carried out in accordance with all applicable rules and regulations...**

4 \* \* \*

5 ***Environmental Risks and Hazards***

6 Goldcorp’s operations are subject to environmental regulation in the  
7 various jurisdictions in which it operates. These regulations mandate,  
8 among other things, the maintenance of air and water quality standards  
9 and land reclamation. They also set out limitations on the generation,  
10 transportation, storage and disposal of solid and hazardous waste.  
11 Environmental legislation is evolving in a manner which will likely, in the  
12 future, require stricter standards and enforcement, increased fines and  
13 penalties for non-compliance, more stringent environmental assessments  
14 of proposed projects and a heightened degree of responsibility for  
15 companies and their officers, directors and employees. Recent  
16 occurrences of tailings dam failures may increase the likelihood that these  
17 stricter standards and enforcement mechanisms will be implemented in  
18 the future. There is no assurance that future changes in environmental  
19 regulation, if any, will not adversely affect Goldcorp’s results of  
20 operations. Failure to comply with these laws, regulations and permitting  
21 requirements may result in enforcement actions, including orders issued  
22 by regulatory or judicial authorities causing operations to cease or be  
23 curtailed, and may include corrective measures requiring capital  
24 expenditures, installation of additional equipment, or remedial actions.  
25 Parties engaged in mining operations or in the exploration or development  
26 of mineral properties may also be required to compensate those suffering  
27 loss or damage by reason of the mining activities and may have civil or  
28 criminal fines or penalties imposed

24. Goldcorp’s Management’s Discussion and Analysis of Financial  
Condition and Results of Operations for the year ended December 31, 2014, attached  
as Exhibit 99.2 to the 2014 40-F, provided updates of the operations at the Peñasquito  
Mine, stating in pertinent part:

Permitting delays experienced in the first quarter of 2014 due to  
unanticipated additional regulatory requirements related to the

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interconnection with the existing well fields, securing surface land access rights, and additional permitting requirements by the environmental authority deferred start-up of construction of the Northern Well Field ("NWF") project at Peñasquito to mid-year 2014. Following receipt of initial permits and finalizing the remaining construction contracts, construction on the NWF project ramped up to full activity levels in the fourth quarter of 2014, with completion anticipated around mid-year 2015. Activities to address the additional regulatory requirements related to the interconnection to the existing well field continue as planned. Contingency plans remain in place for fresh water supply to Peñasquito until the NWF is operational.

\* \* \*

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, environmental requirements, land and water use, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. The occurrence of these various factors and uncertainties related to the economic and political risks of operating in foreign jurisdictions cannot be accurately predicted and could have a material adverse effect on the Company's operations or profitability. In addition to internal controls, systems and processes, the Company mitigates these risks by building positive, sustainable relationships with local communities, vendors, and local, regional, and federal governments, maintaining ongoing and transparent communication with stakeholders, a commitment to sustainability, and best practices in corporate governance.

25. On March 30, 2016, the Company filed a Form 40-F for the fiscal year ended December 31, 2015 (the "2015 40-F") with the SEC, which provided the Company's year-end financial results and position and stated that the Company's internal control over financial reporting and disclosure controls and procedures were effective as of December 31, 2015. The 2015 40-F was signed by Defendant Garofalo. The 2015 40-F also contained signed SOX certifications by Defendants Garofalo and Ball attesting to the accuracy of financial reporting, the disclosure of any material

1 changes to the Company’s internal controls over financial reporting, and the disclosure  
2 of all fraud.

3 26. Goldcorp’s Annual Information Form for the financial year ended  
4 December 31, 2015, attached as Exhibit 99.1 to the 2015 40-F, provided updates of the  
5 operations at the Peñasquito Mine and stated that Goldcorp’s “mining and processing  
6 operations and exploration and development activities are currently carried out in  
7 accordance with all applicable rules and regulations”, stating in pertinent part:

8 Process and potable water for the Peñasquito Mine is sourced from the  
9 Torres-Vergel well field located six kilometres west of the Peñasquito  
10 Mine. An additional groundwater source within the Cedros basin has been  
11 identified. This area is named the Northern Well Field, and is  
12 approximately 60 kilometres northwest of the Peñasquito Mine and  
13 construction is anticipated to be completed in late Q3-2016. The Northern  
14 Well Field construction project was delayed 10 months in 2015 due to  
15 community concerns, and we expect that the parties will resolve the  
16 dispute and the project will be completed in late 2016. Contingency plans  
remain in place to ensure fresh water supply to the mine continues  
unimpeded until the Northern Well Field is fully operational.

17 \* \* \*

18  
19 ***Government Regulation***

20 Our mining, processing, development and mineral exploration activities  
21 are subject to various laws governing prospecting, development,  
22 production, taxes, labour standards and occupational health, mine safety,  
23 toxic substances, land use, water use, land claims of local people and other  
24 matters. **Although our mining and processing operations and  
25 exploration and development activities are currently carried out in  
26 accordance with all applicable rules and regulations...**

26 \* \* \*

27 ***Environmental Risks and Hazards***  
28

1 Our operations are subject to environmental regulation in the various  
2 jurisdictions in which we operate. These regulations mandate, among  
3 other things, the maintenance of air and water quality standards and land  
4 reclamation. They also set out limitations on the generation,  
5 transportation, storage and disposal of solid and hazardous waste.  
6 Environmental legislation is evolving in a manner which will likely, in the  
7 future, require stricter standards and enforcement, increased fines and  
8 penalties for non-compliance, more stringent environmental assessments  
9 of proposed projects and a heightened degree of responsibility for  
10 companies and their officers, directors and employees. Recent  
11 occurrences of tailings dam failures may increase the likelihood that these  
12 stricter standards and enforcement mechanisms will be implemented in  
13 the future. There is no assurance that future changes in environmental  
14 regulation, if any, will not adversely affect our results of operations.  
15 Failure to comply with these laws, regulations and permitting  
16 requirements may result in enforcement actions, including orders issued  
17 by regulatory or judicial authorities causing operations to cease or be  
18 curtailed, and may include corrective measures requiring capital  
expenditures, installation of additional equipment, or remedial actions.  
Parties engaged in mining operations or in the exploration or development  
of mineral properties may also be required to compensate those suffering  
loss or damage by reason of the mining activities and may have civil or  
criminal fines or penalties imposed for violations of applicable laws or  
regulations. The occurrence of any environmental violation or  
enforcement action may have an adverse impact on our reputation.

19 [Emphasis added].

20  
21 27. Goldcorp's Management's Discussion and Analysis of Financial  
22 Condition and Results of Operations for the year ended December 31, 2015, attached  
23 as Exhibit 99.2 to the 2015 40-F, provided updates of the operations at the Peñasquito  
24 Mine, stating in pertinent part:

25 Construction on the Northern Well Field ("NWF") resumed during the  
26 fourth quarter of 2015 following prior suspension of construction due to  
27 an illegal blockade by a local community. Completion of the NWF is now  
28 expected to be in late 2016. Contingency plans remain in place to ensure

1 that fresh water supply to the mine continues unimpeded until the NWF is  
2 fully operational.

3 Peñasquito's open pit operations contained 10.17 million ounces of  
4 proven and probable gold reserves at December 31, 2015 compared to  
5 10.54 million ounces at December 31, 2014 (refer to mineral reserve and  
6 resource tables for additional information), principally due to mining  
7 depletion, partially offset by positive remodeling of the block model based  
8 on new drill data.

9 \* \* \*

10 Failure to comply strictly with applicable laws, regulations and local  
11 practices relating to mineral right applications and tenure, environmental  
12 requirements, land and water use, could result in loss, reduction or  
13 expropriation of entitlements, or the imposition of additional local or  
14 foreign parties as joint venture partners with carried or other interests. The  
15 occurrence of these various factors and uncertainties related to the  
16 economic and political risks of operating in foreign jurisdictions cannot  
17 be accurately predicted and could have a material adverse effect on the  
18 Company's operations or profitability. In addition to internal controls,  
19 systems and processes, the Company mitigates these risks by building  
20 positive, sustainable relationships with local communities, vendors, and  
21 local, regional, and federal governments, maintaining ongoing and  
22 transparent communication with stakeholders, a commitment to  
23 sustainability, and best practices in corporate governance.

24 28. The statements referenced in ¶¶ 19 – 27 above were materially false and/or  
25 misleading because they misrepresented and failed to disclose the following adverse  
26 facts pertaining to the Company's business, operational and financial results, which  
27 were known to Defendants or recklessly disregarded by them. Specifically, Defendants  
28 made false and/or misleading statements and/or failed to disclose that: (1) levels of the  
mineral selenium rose in one groundwater monitoring well near the Peñasquito Mine  
as early as October 2013; (2) in October 2014, Goldcorp reported a rise in selenium  
levels in groundwater to the Mexican government after the contamination near the  
Peñasquito Mine waste facility intensified; (3) in August 2016, Goldcorp told Mexican

1 regulators that contaminated water had also been found in other areas near the  
2 Peñasquito Mine; and (4) as a result, Goldcorp’s public statements were materially  
3 false and misleading at all relevant times.

4 **The Truth Emerges**

5 29. On August 24, 2016, *Reuters* published an article entitled “Exclusive:  
6 Goldcorp struggles with leak at Mexican mine”, stating that Mexican regulators are  
7 examining whether Goldcorp broke any regulations in its handling of a long-running  
8 leak of contaminated water at the Peñasquito Mine, stating in pertinent part:

9 **TOP NEWS | Wed Aug 24, 2016 12:13pm EDT**

10 **Exclusive: Goldcorp struggles with leak at Mexican mine**

11 By Allison Martell, Frank Jack Daniel and Noe  
12 Torres | TORONTO/MEXICO CITY

13 **Mexican regulators said they are examining whether mining  
14 company Goldcorp Inc (G.TO) broke any regulations in its handling  
15 of a long-running leak of contaminated water at Mexico’s biggest gold  
16 mine.**

17 **The move follows questions from Reuters about the leak, which until  
18 now has not been disclosed to the public.**

19 **Levels of the mineral selenium rose in one groundwater monitoring  
20 well near Goldcorp’s Penasquito mine as early as October 2013,  
21 Goldcorp data reviewed by Reuters shows.**

22 **The Canadian company reported a rise in selenium levels in  
23 groundwater to the Mexican government in October 2014, after  
24 which the contamination near its mine waste facility intensified,  
25 according to internal company documents seen by Reuters, and  
26 interviews with government officials. Two weeks ago, the company  
27 told Mexican regulators that contaminated water had also been found  
28 in other areas of its property.**



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“We have managed the issue within the confines of our property and continue to monitor and operate our tailings management system to prevent any external impacts,” Goldcorp said when asked when the leak was discovered and whether it was ongoing.

Selenium is sometimes released into the environment by mining and can be present in waste stored in what are known as tailings ponds. High concentrations in water can damage human health and cause deformities in wildlife. In recent years its effect on fish and waterbirds has led to successful lawsuits against North American miners including U.S.-based Patriot Coal, which filed for bankruptcy in 2012 under \$443 million of selenium water treatment liabilities.

Vancouver-based Goldcorp declined to disclose how much it was spending to monitor and fix the leak, saying only that there was a “sufficient allocation of resources.”

**“This issue is one that we have taken seriously and we are taking the necessary measures to resolve,”** said Michael Harvey, the miner’s Latin America director for corporate affairs and security.

Two weeks ago, after receiving questions from Reuters, Goldcorp met with Mexican regulators in Zacatecas. A presentation dated March 2016 but delivered at that meeting said one of the steps the company was taking to address the leak was to relocate a pond that reclaims water from the tailings. The company told Reuters that project should be completed next year.

**HIGH SELENIUM LEVELS**

Selenium levels in the well rose for months after the miner alerted authorities in October 2014, the company data seen by Reuters shows. The concentration began falling in April 2015 and from September at least through January it was steady at 0.01 mg/liter.

Canadian province British Columbia, where Goldcorp is headquartered, and Mexico both establish maximum selenium concentrations of 0.01 mg

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per liter in drinking water. Mexico sets maximum concentrations of 0.008 mg/l in fresh water bodies and 0.02 mg/l in water for agricultural use.

Levels in the groundwater at Penasquito rose to more than five times that level, the data shows.

\* \* \*

**Profepa’s Rodriguez told Reuters his unit was examining the case to see whether Goldcorp had downplayed or not fully disclosed relevant information.** He did not specify which regulations Goldcorp could have violated.

\* \* \*

At the meeting with Profepa two weeks ago, Goldcorp described leaks in three other areas to the west and south of the facility, in addition to the original well. The company’s presentation, seen by Reuters, showed that two of the leaks were just to the north of Las Mesas, a community of about 90 families who mostly raise cattle or grow corn and beans. Authorities in Las Mesas could not be reached for comment.

(Editing by Stuart Grudgings)

[Emphasis added].

30. On this news, shares of Goldcorp fell \$1.64 per share or approximately 9% from its previous closing price to close at \$16.05 per share on August 24, 2016, damaging investors.

31. As a result of Defendants’ wrongful acts and omissions, and the precipitous decline in the market value of the Company’s common shares, Plaintiff and other Class members have suffered significant losses and damages.

**PLAINTIFF’S CLASS ACTION ALLEGATIONS**

32. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all those who

1 purchased or otherwise acquired Goldcorp common shares traded on the NYSE during  
2 the Class Period (the “Class”); and were damaged upon the revelation of the alleged  
3 corrective disclosures. Excluded from the Class are Defendants herein, the officers and  
4 directors of the Company, at all relevant times, members of their immediate families  
5 and their legal representatives, heirs, successors or assigns and any entity in which  
6 Defendants have or had a controlling interest.

7 33. The members of the Class are so numerous that joinder of all members is  
8 impracticable. Throughout the Class Period, Goldcorp common shares were actively  
9 traded on the NYSE. While the exact number of Class members is unknown to Plaintiff  
10 at this time and can be ascertained only through appropriate discovery, Plaintiff  
11 believes that there are hundreds or thousands of members in the proposed Class. Record  
12 owners and other members of the Class may be identified from records maintained by  
13 Goldcorp or its transfer agent and may be notified of the pendency of this action by  
14 mail, using the form of notice similar to that customarily used in securities class actions.

15 34. Plaintiff’s claims are typical of the claims of the members of the Class as  
16 all members of the Class are similarly affected by Defendants’ wrongful conduct in  
17 violation of federal law that is complained of herein.

18 35. Plaintiff will fairly and adequately protect the interests of the members of  
19 the Class and has retained counsel competent and experienced in class and securities  
20 litigation. Plaintiff has no interests antagonistic to or in conflict with those of the Class.

21 36. Common questions of law and fact exist as to all members of the Class  
22 and predominate over any questions solely affecting individual members of the Class.  
23 Among the questions of law and fact common to the Class are:

- 24 • whether the federal securities laws were violated by Defendants’ acts as  
25 alleged herein;
- 26 • whether statements made by Defendants to the investing public during the  
27 Class Period misrepresented material facts about the financial condition,  
28 business, operations, and management of Goldcorp;

- 1 • whether Defendants' public statements to the investing public during the
- 2 Class Period omitted material facts necessary to make the statements
- 3 made, in light of the circumstances under which they were made, not
- 4 misleading;
- 5 • whether the Individual Defendants caused Goldcorp to issue false and
- 6 misleading SEC filings and public statements during the Class Period;
- 7 • whether Defendants acted knowingly or recklessly in issuing false and
- 8 misleading SEC filings and public statements during the Class Period;
- 9 • whether the prices of Goldcorp common shares during the Class Period
- 10 were artificially inflated because of the Defendants' conduct complained
- 11 of herein; and
- 12 • whether the members of the Class have sustained damages and, if so, what
- 13 is the proper measure of damages.

14 37. A class action is superior to all other available methods for the fair and  
15 efficient adjudication of this controversy since joinder of all members is impracticable.  
16 Furthermore, as the damages suffered by individual Class members may be relatively  
17 small, the expense and burden of individual litigation make it impossible for members  
18 of the Class to individually redress the wrongs done to them. There will be no difficulty  
19 in the management of this action as a class action.

20 38. Plaintiff will rely, in part, upon the presumption of reliance established by  
21 the fraud-on-the-market doctrine in that:

- 22 • Defendants made public misrepresentations or failed to disclose material
- 23 facts during the Class Period;
- 24 • the omissions and misrepresentations were material;
- 25 • Goldcorp common shares are traded in efficient markets;
- 26 • the Company's shares were liquid and traded with moderate to heavy
- 27 volume during the Class Period;
- 28 • the Company traded on the NYSE, and was covered by multiple analysts;

- 1 • the misrepresentations and omissions alleged would tend to induce a
- 2 reasonable investor to misjudge the value of the Company's common
- 3 shares; and
- 4 • Plaintiff and members of the Class purchased and/or sold Goldcorp
- 5 common shares between the time the Defendants failed to disclose or
- 6 misrepresented material facts and the time the true facts were disclosed,
- 7 without knowledge of the omitted or misrepresented facts.

8 39. Based upon the foregoing, Plaintiff and the members of the Class are  
9 entitled to a presumption of reliance upon the integrity of the market.

10 40. Alternatively, Plaintiff and the members of the Class are entitled to the  
11 presumption of reliance established by the Supreme Court in *Affiliated Ute Citizens of*  
12 *the State of Utah v. United States*, 406 U.S. 128, 92 S. Ct. 2430 (1972), as Defendants  
13 omitted material information in their Class Period statements in violation of a duty to  
14 disclose such information, as detailed above.

15 **COUNT I**

16 **Violation of Section 10(b) of The Exchange Act and Rule 10b-5**  
17 **Against All Defendants**

18 41. Plaintiff repeats and realleges each and every allegation contained above  
19 as if fully set forth herein.

20 42. This Count is asserted against Goldcorp and the Individual Defendants  
21 and is based upon Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule  
22 10b-5 promulgated thereunder by the SEC.

23 43. During the Class Period, Goldcorp and the Individual Defendants,  
24 individually and in concert, directly or indirectly, disseminated or approved the false  
25 statements specified above, which they knew or deliberately disregarded were  
26 misleading in that they contained misrepresentations and failed to disclose material  
27 facts necessary in order to make the statements made, in light of the circumstances  
28 under which they were made, not misleading.

1           44. Goldcorp and the Individual Defendants violated §10(b) of the 1934 Act  
2 and Rule 10b-5 in that they:

- 3           • employed devices, schemes and artifices to defraud;
- 4           • made untrue statements of material facts or omitted to state material facts  
5           necessary in order to make the statements made, in light of the  
6           circumstances under which they were made, not misleading; or
- 7           • engaged in acts, practices and a course of business that operated as a fraud  
8           or deceit upon plaintiff and others similarly situated in connection with  
9           their purchases of Goldcorp common shares during the Class Period.

10           45. Goldcorp and the Individual Defendants acted with scienter in that they  
11 knew that the public documents and statements issued or disseminated in the name of  
12 Goldcorp were materially false and misleading; knew that such statements or  
13 documents would be issued or disseminated to the investing public; and knowingly and  
14 substantially participated, or acquiesced in the issuance or dissemination of such  
15 statements or documents as primary violations of the securities laws. These defendants  
16 by virtue of their receipt of information reflecting the true facts of Goldcorp, their  
17 control over, and/or receipt and/or modification of Goldcorp allegedly materially  
18 misleading statements, and/or their associations with the Company which made them  
19 privy to confidential proprietary information concerning Goldcorp, participated in the  
20 fraudulent scheme alleged herein.

21           46. Individual Defendants, who are the senior officers and/or directors of the  
22 Company, had actual knowledge of the material omissions and/or the falsity of the  
23 material statements set forth above, and intended to deceive Plaintiff and the other  
24 members of the Class, or, in the alternative, acted with reckless disregard for the truth  
25 when they failed to ascertain and disclose the true facts in the statements made by them  
26 or other Goldcorp personnel to members of the investing public, including Plaintiff and  
27 the Class.

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1 47. As a result of the foregoing, the market price of Goldcorp common shares  
2 was artificially inflated during the Class Period. In ignorance of the falsity of  
3 Goldcorp's and the Individual Defendants' statements, Plaintiff and the other members  
4 of the Class relied on the statements described above and/or the integrity of the market  
5 price of Goldcorp common shares during the Class Period in purchasing Goldcorp  
6 common shares at prices that were artificially inflated as a result of Goldcorp's and the  
7 Individual Defendants' false and misleading statements.

8 48. Had Plaintiff and the other members of the Class been aware that the  
9 market price of Goldcorp common shares had been artificially and falsely inflated by  
10 Goldcorp's and the Individual Defendants' misleading statements and by the material  
11 adverse information which Goldcorp's and the Individual Defendants did not disclose,  
12 they would not have purchased Goldcorp's common shares at the artificially inflated  
13 prices that they did, or at all.

14 49. As a result of the wrongful conduct alleged herein, Plaintiff and other  
15 members of the Class have suffered damages in an amount to be established at trial.

16 50. By reason of the foregoing, Goldcorp and the Individual Defendants have  
17 violated Section 10(b) of the 1934 Act and Rule 10b-5 promulgated thereunder and are  
18 liable to the plaintiff and the other members of the Class for substantial damages which  
19 they suffered in connection with their purchase of Goldcorp common shares during the  
20 Class Period.

## 21 **COUNT II**

### 22 **Violation of Section 20(a) of The Exchange Act** 23 **Against The Individual Defendants**

24 51. Plaintiff repeats and realleges each and every allegation contained in the  
25 foregoing paragraphs as if fully set forth herein.

26 52. During the Class Period, the Individual Defendants participated in the  
27 operation and management of Goldcorp, and conducted and participated, directly and  
28 indirectly, in the conduct of Goldcorp's business affairs. Because of their senior

1 positions, they knew the adverse non-public information regarding Goldcorp's  
2 business practices.

3 53. As officers and/or directors of a publicly owned company, the Individual  
4 Defendants had a duty to disseminate accurate and truthful information with respect to  
5 Goldcorp's financial condition and results of operations, and to correct promptly any  
6 public statements issued by Goldcorp which had become materially false or  
7 misleading.

8 54. Because of their positions of control and authority as senior officers, the  
9 Individual Defendants were able to, and did, control the contents of the various reports,  
10 press releases and public filings which Goldcorp disseminated in the marketplace  
11 during the Class Period. Throughout the Class Period, the Individual Defendants  
12 exercised their power and authority to cause Goldcorp to engage in the wrongful acts  
13 complained of herein. The Individual Defendants therefore, were "controlling persons"  
14 of Goldcorp within the meaning of Section 20(a) of the Exchange Act. In this capacity,  
15 they participated in the unlawful conduct alleged which artificially inflated the market  
16 price of Goldcorp common shares.

17 55. Each of the Individual Defendants, therefore, acted as a controlling person  
18 of Goldcorp. By reason of their senior management positions and/or being directors of  
19 Goldcorp, each of the Individual Defendants had the power to direct the actions of, and  
20 exercised the same to cause, Goldcorp to engage in the unlawful acts and conduct  
21 complained of herein. Each of the Individual Defendants exercised control over the  
22 general operations of Goldcorp and possessed the power to control the specific  
23 activities which comprise the primary violations about which Plaintiff and the other  
24 members of the Class complain.

25 56. By reason of the above conduct, the Individual Defendants are liable  
26 pursuant to Section 20(a) of the Exchange Act for the violations committed by  
27 Goldcorp.

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**PRAYER FOR RELIEF**

WHEREFORE, Plaintiff demands judgment against Defendants as follows:

A. Determining that the instant action may be maintained as a class action under Rule 23 of the Federal Rules of Civil Procedure, and certifying Plaintiff as the Class representative;

B. Requiring Defendants to pay damages sustained by Plaintiff and the Class by reason of the acts and transactions alleged herein;

C. Awarding Plaintiff and the other members of the Class prejudgment and post-judgment interest, as well as their reasonable attorneys' fees, expert fees and other costs; and

D. Awarding such other and further relief as this Court may deem just and proper.

**DEMAND FOR TRIAL BY JURY**

Plaintiff hereby demands a trial by jury.

Dated: August 25, 2016

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