



The Schedule 4 Debate

Media Letter

March 26 2010

Dear Sir,

I write in response to a letter to your paper from Barry Hunt, Onemana Ratepayers Association.

Mr Hunt speaks about the values of mining to a community. Here are a few brief facts in reply:

- 350 people are directly employed by our mining operations and a further 370 full time equivalent employees work indirectly in downstream employment as a result of the mining operations. 76% of our direct workforce are local people.
- In 2009 the operations generated a total revenue of \$193.7M – 91% of this revenue remains in New Zealand.
- Approximately \$3.6M was paid to the New Zealand government in royalties in 2009, in addition to 2009 taxes amounting to \$24.664M.
- Around \$40M every year is contributed to Waihi's economy – about 22% of the gross town product. Annually around \$0.67M is invested in the community in sponsorships and donations to clubs and organisations as well as approximately \$2.4M being spent on community projects.
- The mining industry has been modernised over the last thirty years. Mining legislation, mining practices, environmental awareness and community consultation are very different now.
- NWG has operated in Waihi for more than twenty years under strict RMA consent conditions.
- NWG remains committed to this community in which we operate and hope to be in this region in the long term.

Mr Hunt's letter states "surgical mining is a fallacy". In Waihi our Favona underground operation has a footprint amounting to five hectares. We see our future in mining underground. Our exploration programme is targeting high grade gold deposits in relatively low-value conservation areas that would be viable to mine underground with a small surface footprint. The ore from a viable deposit would be transported to Waihi to be processed at our existing facilities.

Currently our business focuses on the potential viability of near-mine mining proposals, continuation of our exploration programme across the Hauraki Goldfields, the clarification of our legacy and sustainability project investments and the development of closure scenarios.

We agree with Mr Hunt's suggestion that people should carry out their own research. Should any person or group wish to know more about our operations, plans or the Schedule 4 debate please feel free to contact us directly.