



November 3 2010

What's happening at Opoutere?

Our exploration drill site near Opoutere received a visit last weekend from a group of people with placards and a TV3 news crew.

We are acutely aware of the sensitivity of the mining issue in this area and are aware of the objections by some sections of the community. We would like to point out that we are also aware of a good deal of support from the community.

Some issues were raised by the media coverage and the publicity that we would like to address.

Open and transparent

There was no attempt to be secretive about our exploration plans. We have been open about our activities and have been in contact with various individuals and organisations in an effort to ensure open communication. As an example, see a media release back in September 8 2009 about exploration activities and intentions relating to Onemana and Opoutere.

The company has access arrangements with relevant landowners and occupiers and consents from appropriate regulatory authorities. All activities must comply with Resource Management Act consent conditions; various district plans, and council regulations. Iwi are also consulted. We also keep in contact with local ratepayers' groups.

However, we freely admit our attempts to have dialogue with some groups are not always successful. Newmont Waihi Gold has in the past and continues to invite concerned groups to meet with us or to visit a drill rig and view the operation first hand. So we find it frustrating to be told we are being secretive when in fact our offers to meet with concerned groups are regularly refused or ignored.

We once again extend an open invitation for these groups to contact us to arrange a suitable time for them to visit us to view our operations, discuss Newmont's exploration programmes, and visit an operating drill rig.

Dotterels

In 1995 we initiated the NZ DotterelWatch programme on the Coromandel Peninsula as a partnership with the Department of Conservation. This came about when we found NZ Dotterels nesting on active mining areas around our site. For the DotterelWatch programme Newmont Waihi Gold provides a vehicle and financial support covering DOC staff expenses, wages and community education to protect and increase dotterel populations at all dotterel breeding sites throughout the Coromandel.

Our support over many years has improved - not threatened (as has recently been claimed) - the future of the NZ Dotterel.

For more information about NZ Dotterels and the DotterelWatch partnership [click here](#).

One in one thousand

Prospecting and exploration is a long process and does not always lead to mining. More than 30 years of exploration and resource definition drilling undertaken in the Coromandel area has resulted in three mining operations - Martha, Favona and Golden Cross.



Generally only one in every thousand exploration prospects ever becomes a mine. That's lots of places that don't warrant any further mineral investigation. Some people might find it reassuring to know what's not there in terms of minerals and potential future mining developments.

We continue to seek high grade gold deposits that would be feasible to mine by keyhole underground methods with a small surface footprint in areas of comparatively low conservation value.

In the event that many years of prospecting and exploration activity proved a viable underground mine could be developed, then a full consenting process would begin through the Resource Management Act.

Within a 100 kilometre radius of Waihi, Newmont Waihi Gold would transport ore back to our existing mill for processing in Waihi and make use of the existing tailings storage facilities. We will not necessarily use public roads, as is often assumed, to transport the ore. There are alternative methods that could be considered. Methods of transportation, or even mine construction, have not been assessed in detail – after all, there is no viable mine and 99.9% of exploration prospects will not eventuate in a mining operation.

For information about the types of activity and types of permits involved in exploration click [here](#)

Restoring after exploring

Most people are aware that all prospecting activities have little or no impact on an area of interest and that exploration drilling has minimal impact for a short time.

When we leave all equipment is removed. Paddocks are returned to pasture. In bush areas the ground is layered with plant material such as manuka 'slash'. This is an effective and widely accepted method of introducing seed that will regenerate - the slash protects the various native seedlings that are planted beneath.

The Economy

Some people say that mining doesn't benefit the economy.

We don't know how much the New Zealand economy would prosper should a further mine operate in the Hauraki gold fields or Coromandel Peninsula. The recent Schedule 4 debate brought about a good deal of speculation and lots of figures were bandied about.

What we do know for sure is how much the national, regional and local economy prospers as a result of mining operations in Waihi. Here are some facts:

- Newmont Waihi Gold spends more than \$100 million every year on salaries, goods and services. Around \$90 million of this is spent in NZ and \$40 million is spent in Waihi. \$0.6 million is invested in contributions annually to local community groups.
- 25% of Waihi's total economy is generated by mining. This is equivalent to the contribution the dairy industry makes to the New Zealand economy.
- Around 350 people are directly employed in full time equivalent positions in Waihi. A further 350 people are employed in industries or services that operate because of the mine's existence.