



Golden Link

The Correnso Underground Proposal

Over the past few years we have carried out our exploration work in and around Waihi to identify areas that may contain gold and silver deposits with the aim of extending mining in Waihi beyond 2015. We have called this programme Golden Link. Correnso is one part of this.

We are proposing to extend our underground operations beyond Favona and Trio into new ground. The ore body we have discovered is named Correnso. Parts of Correnso, including access to it, are at significant depth below some residential properties in Waihi East.

Correnso is a proposal. At this early stage there are still

studies, trials and modelling we need to carry out and we are seeking your feedback before we lodge consent applications next year. As in the past, our commitment to the Waihi community is to keep you informed about our activities and plans, and to listen to your views.

We have produced this brochure to share information about Correnso.

We value your participation and encourage you to phone us if you would like to arrange a time and place to talk. Our contact details can be found at the end of this brochure.

Correnso Underground Proposal

Newmont Waihi Gold has operated the Favona Underground Mine for the past seven years. Mining at Favona is due to finish at the end of 2011. Construction work to develop the Trio Underground Mine has now begun. Trio is expected to be completed by the end of 2014, coinciding with the completion of mining in the Martha East Layback in the Martha open pit.

We are proposing to extend our underground operations beyond Favona and Trio into new ground. Parts of the Correnso ore body, including access to it, are at significant depth below some residential properties in Waihi East.

The portal (entrance) to Correnso would be the same as that currently shared by Favona and Trio. Access drives (tunnels) would extend below ground from the Favona and Trio mines, generally following the same lines as public roads on the surface. The mining areas (stopes) would start at a depth of 350 metres below the surface and would extend upwards to a depth of no less than 130 metres below the surface (equivalent to the height of about six pumphouses).

Only comparatively small areas of the mine would be open at any one time. As mined areas are completed they would be filled in with rock to provide long-term stability, as we have done at our Favona operation. There would be no large voids left underground, as was common with historic underground mining. Surface stability will not be affected.

We have sought advice and commissioned studies to give us a better understanding of a range of factors. Initial studies include:

- vibration
- geotechnical (mine stability)
- dewatering and settlement.

These studies and further investigations are necessary before details are finalised.

Vibration

Our current underground operations have blast vibration limits of 6mm/s (Monday to Saturday, daytime) and 1mm/s at other times. Vibration limits at Correnso would be no greater than this. We expect that production blasting (used to mine ore) will take place once every two to three days, with smaller development blasts (used to construct tunnels) occurring more frequently.

In mid October we conducted a short series of vibration trials to build on our understanding of the rock's response to blasting.

As we propose to mine under private property, we will be consulting with residents on a range of options for vibration magnitude, duration and frequency. We have extensive information on blast vibration based on two decades of operations here in Waihi.

Property

Correnso would be required to operate within strict vibration consent limits at all properties and the Amenity Effect Programme will continue to be an option for eligible residents.

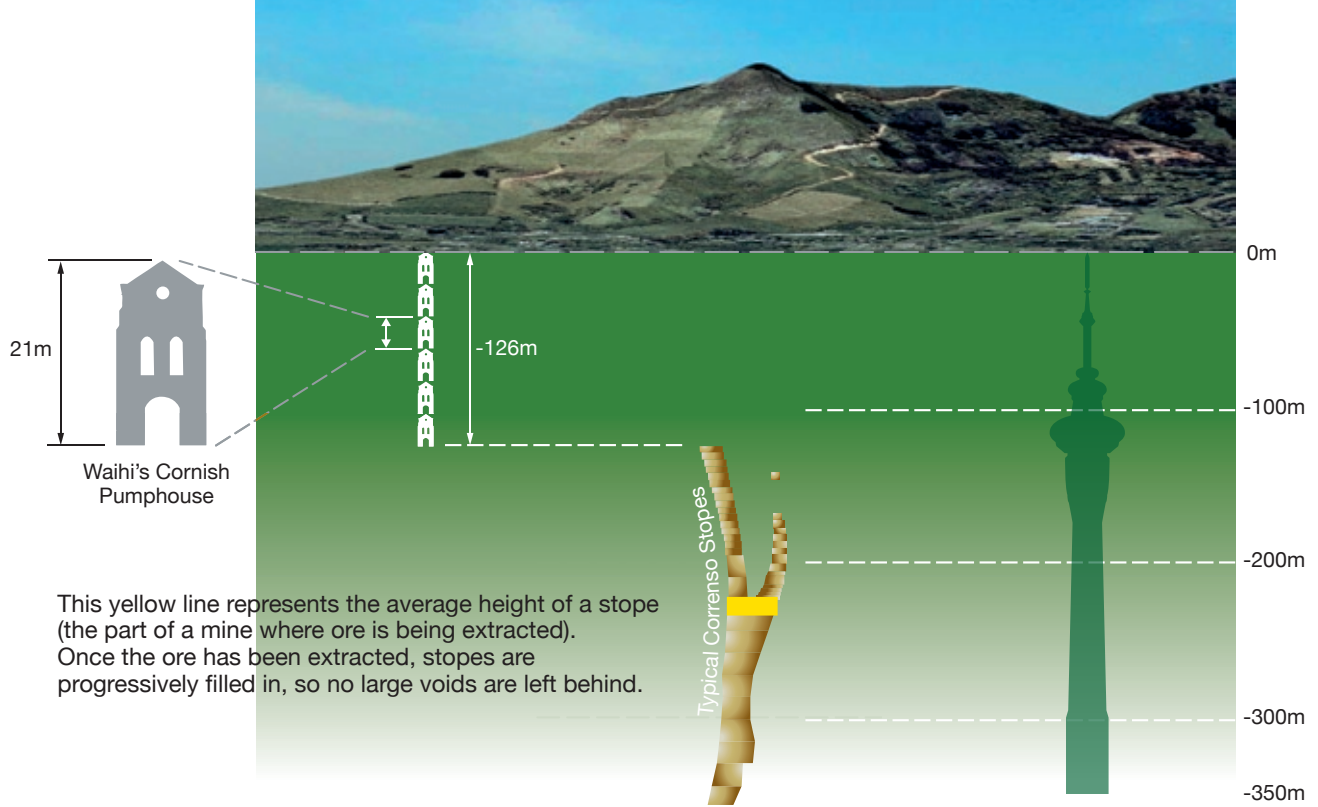
We know that property values are important to you. We therefore need to work with the community in Waihi East. We are interested in identifying opportunities that could result in substantial community improvements in the area. More detail on this consultation process can be found in the Question and Answer sheets.

We are keen to discuss the Correnso proposal with all residents and since the announcement have visited homes in Waihi East to explain our proposal in more detail and gain residents' feedback.

Following a period of consultation and further investigation into the effects of the proposed project, and dependent on the results, we will lodge Resource Management Act applications with the Hauraki District Council and Waikato Regional Council in early 2012. Newmont expects that consenting will involve a publically notified process, which will require hearings at which anyone will be able to make submissions for or against the proposal. If approved, construction for Correnso could start in mid 2013. This would see a continuation of underground mining after the Trio Mine project's anticipated finish in 2014. We expect the Correnso Mine could operate until the end of 2020, but potentially longer if additional resources are discovered.

We will keep you informed about when you can become involved.





Correnso Ore Body



These three aerial images show the location of the ore body at different levels below surface.



— Proposed access tunnels
 — Correnso ore body



The Correnso Underground Proposal includes the following:

- a main access tunnel (approximately 5 metres square) constructed from Favona. The tunnel generally sits under roads between Favona and Correnso
- construction of a spiral decline/incline, exhaust tunnel, and exploration drill tunnel
- blasting and removal of approximately 2 million tonnes of ore, in small blocks, followed by backfilling to ensure that no large holes remain
- additional dewatering from the Martha pit and Correnso workings
- use of the existing Martha and Favona surface infrastructure including stockpiles, mill, water treatment plant and tailings storage facilities.

Correnso lies entirely within the existing Favona Mining Permit but will require resource consents from the District and Regional Councils.





We are proud of our environmental track record on site and around Waihi.



We employ 350 staff. A similar number provide goods and services to us.



One quarter of Waihi's economy is derived from mining.



We've been part of the Waihi community over more than two decades.



Our local schools are among the many groups and organisations we partner.



If it can't be done safely, it won't be done at all.

Do you want to find out more?

Newmont Waihi Gold is committed to a long-term partnership with the Waihi community and it is important to us that you have reliable information about what we are proposing and what it means for you. We hope this information pack answers any initial questions you may have.

We will make every effort to keep you informed about progress on the Correnso proposal.

We believe it is important to begin considering what options and opportunities may be presented in order to work towards achieving positive outcomes for individual households. This includes the Amenity Effect Programme and other initiatives.

The Newmont Golden Link information office in Seddon Street, next to the Waihi Memorial Hall, has staff available to answer questions and listen to your views. You can also get copies of all brochures, Question and Answer sheets and other documents at the information office.

The information office's opening hours are:

- 10.00am to 2.00pm - Monday to Friday.

We intend keeping the office open for at least a year.

We will also be holding community briefings and hope that community groups will invite us to meetings so we have an opportunity to further outline the information we have available. We will also keep you updated through the Waihi Leader and through our website www.marthamine.co.nz.

In addition, as always, our community engagement line is available 24 hours a day, seven days a week.

Please call **0800 NEWMONT** (0800 639 6668).

Newmont Waihi Gold
43 Moresby Avenue
Waihi 3610
PO Box 190
Waihi 3641

email: waihi.info@newmont.com

websites: www.marthamine.co.nz
www.newmont.com

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