



Golden Link: Your Views, October 2011

Summary of Suggestions on Property and Community Improvement

Introduction

This paper is intended to serve as a summary of the feedback that has been received by Newmont Waihi Gold (NWG) on property and community improvement issues related to its 'Golden Link' project. The purpose of the paper is to stimulate more suggestions and ideas around what would be the best approach to take to property and community improvement issues if the two Golden Link projects (the Martha Exploration Project and the Correnso underground mine proposal) go ahead.

At the end of the paper is a feedback form that we would like you to fill out with any new or additional suggestions you may have. The form is preceded by a page entitled *Balancing the Options* which outlines some important factors that we'd like you to consider when providing your feedback. The completed form will be collected by member of NWG staff in the next week or two or you can drop it off at the Golden Link Shop in Seddon Street or post it back to PO Box 190 Waihi.

The paper is not a statement of NWG's policy in these areas. NWG will develop its Property and Community Improvement Policy having regard to your feedback.

Summary of Community Feedback to Date

Two tables containing key issues and concerns received during our home consultation visits are attached.

Property Matters - Suggestions from the Community on the Proposed Property and Community Improvement Policy

- Apply the Property and Community Improvement Policy that NWG is working on to projects other than just Correnso, e.g. Martha open pit, Martha Exploration Project, etc.
- Implement the Property and Community Improvement Policy that NWG is working on when the consent applications for the Correnso Underground Mine project are lodged in early-2012, i.e. before mining begins.
- Apply the proposed Property and Community Improvement Policy to any and all future projects if any occur beyond Correnso.
- Include a "top up" policy in which Newmont would pay for the difference between what a potential buyer is willing to pay for a property, and the market price that the seller is asking for.
- Retain/increase/improve the Amenity Effect Programme in the proposed Property and Community Improvement Policy.
- Buy properties (suggestions range from including houses near new mines to those near existing mines and those anywhere in Waihi, and also include for the payment of legal, moving and other related costs, and payment of additional compensation).
- Produce a policy that provides a clear guarantee from NWG that it will pay for any damage to properties that occur because of mining.

- Include property improvement and maintenance programmes to retain value and provide benefits for existing residents to remain in their houses.
- Include the payment of rates and water rates.

Community Improvement Initiatives - Suggestions from the Community on the Proposed Property and Community Improvement Policy

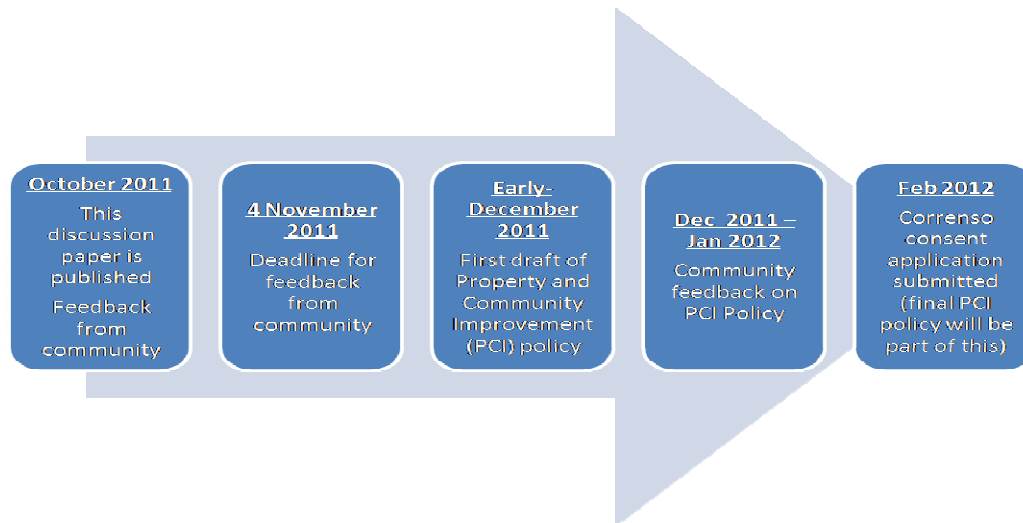
- Provide improved infrastructure such as pavements, better drainage and guttering, streetlights, a school crossing, landscaping, public toilets, reticulating/filling in of drains, construction of a BMX track, bike track to town/schools.
- Provide more and better open spaces for passive recreation, a fenced playground, a nature reserve etc.
- Set up or assist the establishment of small businesses in Waihi East such as shops, food outlets, a dairy etc.
- Provide support to Waihi East School.
- Beautify/capitalise on old dairy in Barry Road.
- Make better use of NWG-owned properties and sections, e.g. implement initiatives that provide improved maintenance, incentives to encourage staff to purchase rather than rent, and affordable housing for low income-earners.
- Provide a heated swimming pool.
- Beautification projects e.g. supply plants to residents, flowers in hanging baskets (like Katikati).
- Provide a cinema.
- Provide a social development community centre.
- Spend money on education, e.g. special needs teachers for all Waihi schools.
- Community gardens in Slevin Park
- Trim or remove overgrown trees on properties.
- Build nice new boundary fences on properties [where necessary.]
- Arranging for the rubbish to be picked up early in Waihi East so it doesn't look unsightly.
- Pay for house extensions and additional dwellings to properties.
- Provide house paint to owners.
- Modernise furnishings in homes e.g. curtains, carpets or wallpaper etc.
- Install modern and efficient heating systems in homes.
- Organise regular security patrols so it can be promoted as a safe area.
- Landscaping / screening of the mill area and Baxter Road that can be seen from Barry Rd, Golden Valley Road, Beach Road and State Highway 2.
- Conveyor to be hidden or made/used as a tourist attraction.

What Happens Now?

We want to continue receiving feedback for another few weeks on possible options for the proposed Property and Community Improvement Policy. We encourage you to review the above list, to add your support to some or all of the above suggestions, and to add any new ideas or suggestions that you may have, so that we may consider them when developing the Property and Community Improvement Policy.

To assist you providing that feedback we have attached a feedback form to this paper. We would appreciate it if you took the time to give us your views on what you think should be in the Property and Community Improvement policy that we are developing. Company employees will be visiting all residents in the Waihi East and Waihi North areas in the last two weeks of October in order to collect the feedback forms and answer any further questions.

The schedule for the remaining feedback programme and for developing the proposed Property and Community Improvement Policy is shown in the following diagram.



BALANCING THE OPTIONS

Please Read Before Filling Out the Feedback Form

One of the hardest things to resolve in developing the proposed Property and Community Improvement Policy will be how to strike a balance between different options. There is naturally a limit to how much NWG can do before the project as a whole becomes unviable. Also, different property and community improvement options will have different economic and social impacts, some positive and some negative. NWG believes it has a responsibility to act in a way that enhances the long-term social and economic development of Waihi and it will need to strive for the right balance of options to achieve the optimal outcome for the community.

Broadly, there are four factors that NWG will need to consider when developing its proposed Property and Community Improvement Policy. We ask that you also consider these factors when completing the attached feedback form so that your view can form part of our consideration:

- **What is the right balance between those programmes that benefit individuals, and those programmes that benefit the community as a whole?** Programmes focused on individual residents obviously help to address the concerns of those people, but they are less sustainable in the long-term – i.e. if the mine were to close the benefits would stop. Community-level benefits, on the other hand, have a far greater chance of delivering benefits long after the mine is closed.
- **What is the cost of the each option relative to the number of people it will benefit?** For example, purchasing individual properties has a very high level of cost relative to the number of people who it would benefit. In comparison, providing some form of “top up” on property sales is less costly per property and therefore could be offered to a wider group of people than outright property purchase.
- **Does the programme provide short-term or long-term benefits?** Some options such as cash payments through the Amenity Effect Programme provide relatively short-term cash benefits to those who receive them. Investment in community infrastructure, for example in parks and tree planting, has the potential to benefit the community in the very longer term.
- **What is the fairest way to decide who is eligible for which programmes?** Any decision on who gets what creates a boundary. Boundaries, while necessary, have the potential to cause real or perceived inequities, so the challenge is always how and where is best to set them. NWG’s default assumption is that those residents closest to the proposed projects should benefit more than those further away from it. The advantage of this approach is that any boundaries for programmes can be defined based on scientifically measurable effects. The disadvantage is that it leaves no room to consider the individual life circumstances of different residents.

Table 1: Summary of Responses on the Martha Exploration Project to 7 October 2011

Issue	Frequency of Response	
No Issues	<i>Raised by the majority of respondents</i>	
Dust		
Noise		
Blasting / Vibration / Cracking	<i>Common responses</i>	
Property Values		
Ability to sell House		
Extension of pit rim		
No lake		
AEP		
Foreign Ownership		
NWG needs to be more open / consultation process / lack of trust		<i>Occasional responses</i>
Keep moving the goal posts		
Mine beneficial to the town		
AEP above & beyond - very happy		
Concerned about what happens after mining		
Earthquake risk & collapse		
Replace what you take with something better		
No local business benefit		
Media		

Table 2: Summary of Responses on the Proposed Correnso Project to 7 October 2011

Issue	Frequency of Response*
Property Value	
No Issues	
Dust / fumes	<i>Raised by the majority of respondents</i>
Blasting / Vibration	
Ability to sell property	
Insurance Cover	
Noise	
AEP	
Subsidence/stability	
Dewatering / Water Levels	<i>Common responses</i>
Ability to get mortgage	
Property Damage / cracking	
Tunnels / mining under house	
Property Policy	
NWG needs to be more open / consultation process / lack of trust / lack of integrity	
Health issues	
Uncertainty / stress	
Will LIM Reports state U/G mine under property?	
Fair compensation	
No Pit Lake	
Safety	
Relocation	
Water Quality	
Lost Income from Rental	
On-going exploration	
Protection of heritage features, e.g. Grand Junction Refinery	<i>Occasional responses</i>
Statement of Commitment (load of spin)	
Drill Rigs	
Vent Shaft location	
Discovery of old underground workings during development	
Effect on friends in Mataura Road	
Good for Waihi / businesses	
Use of Cyanide	
Emotional risk to children (attending East School)	
Ability to attract tenants	
Why was survey done?	
Effect on Waihi East School	
Better sharing of wealth	
Will drinking water be affected?	

*NOTE: * The numbers of responses for the proposed Correnso project were approximately five times that of the number of responses for the Martha Exploration Project.*

Property and Community Improvement Feedback Form

Name: _____

Address: _____

1. What should the balance be between NWG policies that provide benefits to individual residents, and policies that provide benefits to the community as a whole. Please circle the following option that best reflects your view:

- A. Policies should focus only on providing benefits to individuals
- B. Policies should mostly focus on individuals, but provide some community projects
- C. There should be an even split between policies that benefit individual residents and policies that benefit the community.
- D. Policies should mostly focus on the community, but also provide some benefits to individuals.
- E. Policies should focus only on providing benefits to the community as a whole

Space for any additional comments you may wish to make regarding your choice:

2. What are the **three** things that you would most like to see in NWG's Property and Community Investment Policy?

3. What are the **three** things that you would least like to see in NWG's Property and Community Investment Policy?