This Update is a regular advertising feature provided by Newmont Waihi Gold

June 19, 2014

Wet enough for you?

We had a dry May, but it couldn't last. Significant rain last week led to flooding around the region. How does the mine site cope with significant rain events?

How does the mine site cope with significant rain events?

MARTHA OPEN PIT

Pit operations are suspended during heavy rain events for safety reasons. The roads can become very slippery and potentially unsafe to drive on, and water cascading down the pit walls has the potential to dislodge material. Stormwater flows to the bottom of the pit where it is pumped to the Water Treatment Plant.

TAILINGS IMPOUNDMENT

Collection Ponds

The collection ponds are designed to contain stormwater runoff from the waste rock embankment which is constructed from waste rock from the open pit. In storm events less than a 'ten year storm', all of the collection pond water is treated at the Water Treatment Plant before discharge into the Ohinemuri River.

As we have seen recently, high intensity storms lead to rapid flooding of rivers and streams, and it is not practical to contain all stormwater runoff on site. The collection ponds are allowed to overflow beyond the 'ten year storm' event. The site is designed and managed to ensure that any discharges either alone or in combination do not cause adverse effects on the Ohinemuri River.

The quality of the collection pond water has significantly improved since the commencement of construction. There are two reason for this. Firstly, the site adds limestone to the mineralized (potentially acid forming) waste rock which improves the quality of the stormwater runoff. Secondly, much of the embankment has now been rehabilitated back to pasture.

This runoff has improved to the extent that site is currently treating collection pond water unnecessarily. For this reason, a number of changes have been made to allow direct discharge of the collection pond water, subject to conditions. This new system is expected to be up and running within the next month.

Silt Ponds

Silt ponds collect runoff from operational areas that may carry suspended solids such as clays or soils which cause turbid or cloudy water. Under normal conditions suspended solids settle in the ponds by gravity, the water is discharged to the river if it meets the consent criteria, and the silt is removed from the pond over summer.

In events greater than a 'two year storm' the silt ponds will overflow, however the ponds must not allow more than a 10% increase in the suspended solids compared with what is already flowing down the river from upstream. In addition, discharges from the site must not cause an adverse effect on the river, as determined by a comprehensive water and biological monitoring programme.

Storm water and runoff from the Waste Rock Embankment is directed to collection ponds. It will soon be discharged directly into the Ohinemuri River.

PROCESS PLANT

Significant flooding of the Ohinemuri River can sometimes mean that the main access to site via Baxter Road is flooded and the alternative entrance from Clarke Street must be used. There are no other effects at the plant.

UNDERGROUND

Heavy rain events have no effect on underground operations. The rain will eventually reach the underground as it percolates through the rock layers and recharges the underground system, but this occurs much more slowly and does not affect current operations.

Monitoring: who checks our performance?

Newmont Waihi Gold complies with ISO 14001 standards as audited every three years by independent international auditors Bureau Veritas. This internationally accepted standard that specifies a process for managing and improving an organisation's environmental performance is now adopted by over 150,000 organisations in 148 countries. Regulatory authorities Waikato Regional Council and Hauraki District Council also monitor site operations to ensure that the environmental conditions set out in the various consents and licences are being met. In addition Peer Review Panels appointed annually by the regulatory authorities provide a further independent check.

Social Impact Assessment 2014

Over the next few weeks, representatives from Banarra, a company which specialises in social research, will be speaking with a broad range of Waihi organisations, business representatives, community groups and individuals.

The 2014 survey is to identify and assess the potential social effects – both good and bad – arising from the planned Correnso underground mine. The Correnso Consent Conditions also require that an SIA is conducted before the mine commences operation. All responses are anonymous and will contribute to finalising NWG's first Social Impact Management Plan (SIMP). The SIMP will be monitored annually for the life of the Correnso project.

The SIA provides a broad range of data on key community demographics, economics, and attitudes which can assist Newmont Waihi Gold as we plan and develop our projects, and as we update plans for eventual closure. The data can provide useful information about community understanding and expectations, and suggest potential community partnerships or sectors in which the company could most productively be involved.

Newmont operations around the world conduct a Social Impact Assessment (SIA) every five years, or more frequently where there is the potential for a significant change in operations. The last SIA in Waihi was conducted in 2013. The full 103 page document can be downloaded as a PDF from our website **www.waihigold.co.nz.**