

Correnso Extension Project – Community Meeting

Tuesday 8 March 2016 5.30pm

The following is a record of the Correnso Extension Project Community meeting held at 5.30pm on 8 March 2016. Where possible, we have tried to capture individual contributions at the meeting but these do not purport to be verbatim notes. Printed copies of these notes, and a compact disc (CD), for those who would like to listen to the actual discussion at the meeting, are available from the Waihi Visitor Information Centre, HDC Service Centre, and NWG admin office. An attendance list is appended to these notes.

Introduction

Facilitator Tim Clarke welcomed all to the first meeting of 2016, 6 months since the last meeting on 9 September 2015 and introduced Rebecca Sharman (TCCS Case Manager, the independent minute taker).

Tim advised that the meeting is being recorded to provide an accurate record of the meeting process and asked that anyone who wanted to ask a question or make a comment give their name first to make sure comments and questions are attributed to the correct person.

Tim advised that some questions would be answered on the spot, and some would need to be researched and prepared by Oceana Gold. The answers would be fed back as part of the minutes package that comes out, or would be provided at the next meeting.

Tim advised that there were 14 attendees at the meeting held at 2.30pm today.

Kerry Watson said: There is an apology from the District Council. Mark Buttimore normally attends the evening meetings but he has injured himself and is at home. Peter Thom could not attend the meeting at short notice.

Project Overview

Purpose of meeting



Under Condition 62 of the Correnso consents we are required to hold community meetings every six months. The consent states that the purpose of the meeting is to:

- a) Present information from the preceding six months on the following:
 - i. A description of the mining activities provided for under this consent that have been undertaken;
 - ii. A summary of relevant environmental results;
 - iii. Progress with the IRP property purchase programme;
 - iv. Progress on any matters raised at the preceding meeting;
- b) Receive feedback from the meeting attendees on the consent holder's activities and progress on the matters listed above.

Kerry said: What we wanted to do is remind everyone why we're here. The consent conditions for Correnso say we have to have a meeting and as a minimum these are the things that we need to cover off:

- A description of the mining activities. We'll give an update on where we're at, where we're going with Empire and Daybreak.
- A summary of the relevant environmental results.
- A quick update on the IRP process.
- Progress on any matters that came up from the last meeting.
- General Q&A time if anyone has any questions.

- ▶ OceanaGold
- ▶ Our plans
- ▶ Empire & Daybreak
- ▶ Exploration
- ▶ Recent community survey results
- ▶ Questions

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For the meeting today we thought we'd just give a bit of an introduction to Oceana Gold. At the last meeting we were Newmont transitioning to Oceana. We're now Oceana and I think you will hopefully go away at the end of today, after hearing from Kit and myself, that apart from the name not a lot has changed.

Our plans, what we're doing – there's been some questions about drill rigs and things around town, so we'll go into that. We'll give the update on the two new ore bodies which were part of the extensions. We'll have a quick look at the exploration stuff and Kit will run through the recent community survey that was done as part of the SIMP and then any questions.

OceanaGold



- ▶ **We are a mid-tier gold producer**
 - » *Active in NZ, Philippines & USA, Head Office in Melbourne*
 - » *Investor Relations based in Toronto*
- ▶ **Things that are different**
 - » *Company structure*
 - » *Reporting on activity, (there's more reporting...)*
 - » *A few staff*
- ▶ **Things that are the same**
 - » *Our commitments to the community and environment*
 - » *Pretty much everything else*

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So Oceana Gold, we call ourselves a mid-tier gold producer. We're not a huge company but we're not one of the little guys either so we sit somewhere in between. In New Zealand they've got operations down at Macraes which has been going for a fair few number of years. They've got Reefion which is now in 'care and maintenance' and they've got us here. They've also got a place called Didipio over in the Philippines which is an open pit and a brand new underground which is starting and they've also just recently acquired the Hale Gold Mine over in South Carolina. That gold mine is an open pit, it hasn't started yet and they're in the process of building the process plant at the moment, so that's all moving along. Head office is in Melbourne and I'll quickly circle back to that. Head office for Oceana is a lot smaller than it was for Newmont. Under Oceana sites are given a lot more owner accountability of their own operation. So you have a lot more control of your own destiny. Head office provides financial assistance and very high level guidance around how we do things but there's a lot more accountability on site. Investor Relations is based

in Toronto because that is where the main share market is based for the minerals sector. Kit will talk about that because what it has meant is that we have a fair bit of reporting change.

Kit Wilson said: When we were Newmont we were a very small part of the entire organisation, in fact we were less than 1% which means that if we fell to bits overnight Newmont wouldn't notice and if we had doubled our production overnight Newmont still wouldn't notice because it wouldn't affect their share price. But, we are around 30% of Oceana Gold and that means if anything happens here that would have the potential to affect the share price. Therefore that means anything we do, and I mean anything, has to be reported on the stock exchange because it is material and anything that refers to materiality has to be reported. That means that every time we put a drill rig in the ground anywhere at all it will be reported on the stock exchange and that's very different to how things were with Newmont. At the present time there's all sorts of investor relations information coming out of Toronto about where we're drilling and what we're doing. As I said to the other meeting, my advice is just ignore it. If you want to read it that's fine, but it doesn't mean we're actually doing anything. The best example would be Quattro. We are drilling into an area called Quattro. It's not a mine, it's not a project, it's just a target. If we'd been Newmont we probably wouldn't have even told you about it because it's just a drill rig, but under the materiality we have to. I've already had people ring me saying, "Where's Quattro? Is it a mine? Are you buying my house?" No we're not because we haven't got a mine because we haven't got a project, because it's just a target. It gets remarkably confusing. But there'll be more and more of it and unfortunately that's just the way it will be.

Kerry said: So under Newmont we put the drills out as we've got now and we would wait until we actually had a number of hits and say, "It looks likely that there's something here" before we'd come out and start having the discussion about, "It looks like there's something here and this is where we go". Under Oceana it's, "We've got the drill rigs all over the place having a look". So that's probably the bigger change and it's just something that we need to get used to because that's the requirements from the stock exchange that we're now working with.

Kit said: Which is why we wrote that piece that was in the Eastender and the update which again talked about fish and chips as in we're fishing, we're looking for potatoes, we're prodding in the ground. It's all part of the looking, it doesn't mean we've found it but we are looking.

Kerry said: And if there is something there and we want to take that further we've got to go through the normal processes which means we need to start talking to people, you've got consenting, all of that sort of stuff, so that's where we're at.

The other change is that a few staff, and I didn't get the exact number but I think it's about five staff, have either left or were made redundant through the whole transition process but in saying that we've employed probably that times two at least, and we are still looking at employing. On balance it's looking like we've got more staff now than we did under Newmont. That's the balance and we'll go through that.

Things that are the same – pretty much everything else. Our commitment to the community, environment, a lot of our stuff is enshrined in consents but the other stuff we're still moving ahead with as we were previously. We were Waihi Gold under the banner of Newmont. We're now Waihi Gold under the banner of Oceana. A lot more accountability at the site and we can set our own destiny and have a little bit more control of where we end up.

Mike Moskal said: Kerry are you saying that there's no changes to the community or voluntary programmes?

Kerry said: At this stage no. A lot of the voluntary programmes got enshrined in the consent conditions around Correnso but what we'll talk about is we've got an update on what's happening in the pit and we're applying AEP to the pit for that part of the project which is voluntary so we haven't moved away from that we've just said, "Well that was there, at the moment we can continue on with that". If we change any of that we'll tell people.



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So this is the change – you'll see Andrea is not here today. One of the changes is that I have moved from Environment to having the portfolio for Health and Safety, Community and Environment. The important thing is the people you deal with day to day haven't changed. Bernie O'Leary is our new General Manager. He was born and bred down in Taranaki so he's a New Zealander. He's spent time in mines all over the world and has recently been down at Macraes in Dunedin for a fair long time. He's moved up and taken over from Glen in about November and he's settling into that role and it's actually been good working with and for Bernie. This is really the change that affects people in this room but the people you deal with haven't changed, the process hasn't changed. If you've got a question still pick up the phone, give us a call, people will come round and see you, have a chat and we'll work through the issues.

Our plans

- ▶ OceanaGold didn't buy Waihi Gold to close it
- ▶ Martha open pit
 - » Construction of new access on North Wall
- ▶ Near mine exploration
 - » Surface & underground
- ▶ Empire & Daybreak

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Kerry said: The key message that we've got up here is that Oceana didn't buy the gold mine to shut it. They've made a significant investment, they've bought it because they think there's opportunity here. Kit's going to give you a bit of an update on what's happening in the pit, give you a bit of a rundown on what's happening with exploration and then the two ore bodies (Empire and Daybreak) that were part of Correnso application that we're now starting to develop.

Kit said: If we had still been Newmont, March 2016 was the month that we were scheduled to shut the pit. 18 months from now was the time that under Newmont we would have been scheduled for Correnso to end. Because we are now Oceana, because they didn't buy the place to close it, things have changed a little bit. Here is the most obvious one.



- ▶ Construction of new access underway
- ▶ Once back in the pit we can:
 - » Plan the mining of known reserves
 - » Dewater from the open pit
 - » Plan to stabilise the slip
 - » Investigate possible options for additional production

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If you haven't been up at the pit around the walkway it's probably worth having a look. This picture, which I took last week, is taken from just up here on the Pit Rim Walkway looking back to the north wall here and this digger here is part of the process which is involved in constructing a haul road which goes from here down to here and then does a switch back and comes back down this way so it can avoid the slip which is over here. This is a small haul road, it's not a road which will take the big mine trucks like the one up on the hill here, it will take ordinary road-going size trucks and what that will do is allow us to get back into the pit. When we get back into the pit there are four things. Firstly we can then decide whether we're going to be able to get to the 75,000 ounces of gold which was effectively left behind by Newmont when the slip happened. And that's a lot of gold, 75,000 ounces. Secondly, and really importantly for us, it will allow us to once again de-water from the open pit. When the slip happened we had to stop de-watering from the open pit and, as you're probably aware, there's what the geologists call a hydraulic association between the pit and Correnso, which means when you de-water from the pit you're also de-watering from Correnso. It's actually much easier to de-water from the pit so if we can that will be brilliant. The third thing we'd really like to do is figure out how to stabilise that slip. Once we can figure out how to stabilise that slip that will then allow us to investigate whether we can actually get any additional ore out of the pit. None of those things we will know until we get back in there and any permutation or variation of all of those four is possible. It could be for example that we can't mine any more but we can de-water. It could be that we've having trouble stabilising the pit and we can de-water or it could be that we can stabilise the pit and mine the reserves and de-water. Who knows? We won't know until we're in there but we've got about 4 or 5 months more work ahead of us doing this.

Are there any questions about that before I move on?

Joyce Mahy said: Couldn't that be dangerous, doing the de-watering and blasting?

Kit said: De-watering, no, because all that's happening is we're de-watering the old workings. So we're down to about 265 metres below the top of the north wall. The old timers went down to 2000 feet, so about 600 metres, so we're not even half way down through the old workings. The old workings are full of water, all we're doing is de-watering that.

Kerry said: If I could just jump in there, the de-watering is already de-watered. So since the pit pumps have not been operating we've been de-watering from the underground so that the actual ground water level, that de-water level, hasn't changed for a number of years and we have numerous consent conditions around settlement and we've got some pictures up here later on. But we monitor that on a regular basis to make sure that there's no surface expressions or surface issues. So that's part of the wider mining licensing consent conditions around the other mine rather than just Correnso. Absolutely they're covered off.

Joyce said: So are you going to drain that water?

Kerry said: It's already drained and it has been for the last 15 or 20 years. So it's been down. So all we're doing is maintaining that level.

Mike said: What is the level you are consented to?

Kerry said: We're consented to 700, we've got another 100 metres we could go down. 700RL is the bottom of the mine under the consent conditions for Correnso from the Regional Council.

Mike said: And you are about 792 at the moment.

Kit said: I think we're somewhere around 790 to 810 depending where we're working at any particular time.

Kit said: And the question about the blasting and whether it is dangerous, this blasting here is very small compared to what we did in the pit and that's very small compared to anything else that happens anywhere else. However having said that I need to address one other issue and that is when we do this we actually shut down this piece of the Pit Rim Walkway starting from here and going round. And Phil is actually a blast guard – it's the most important job he does all day – he goes out there, he stops people from wandering along that piece of the Pit Rim Walkway. The reason's quite simple – there's a zillion to 1 chance that we get something wrong and that a piece of flying rock comes from here and jumps up and lands on the Pit Rim Walkway. Is it likely? No but we still have to proceed on the assumption that there is that possibility.

Kerry said: To give you an example, the charge weight, so a hole in the underground where they can put 15-18 metres worth of explosive in the hole, here they're putting somewhere between 2-3 metres in a hole. So they're keeping the charge weight right down. We've still got constraint by the consent conditions around vibration so they're much smaller blasts and it's such a narrow bench that we have to keep those numbers quite low to control that.

Kit said: If you go up to the pump-house and watch one you'll be underwhelmed.

Kerry said: You will see the surface move, you'll definitely see that.

Joyce said: Yes but only slightly.

Kit said: So that's the open pit.

Mike said: Where exactly is the bulk of the 75,000 tonnes?

Kerry said: In the bottom. It follows the Martha vein. And the only reason we stopped doing that is because we lost access into the pit.

Exploration



► Near mine exploration

- » 4 rigs on surface
- » 4 rigs underground
- » Details in last week's *Update & East Ender*

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Kit said: Exploration – so you will have got the Eastender delivered in your letterbox or delivered as a PDF by email, and if you didn't please let one of us know. Both of those documents said exactly the same thing, it was the same text in both of them, it was just laid out rather differently.

Tim said: Can I just check, did you get Eastenders? By email and by post?

Various: Yes.

Kit said: What that talked about is exploration. It also talked about why we're having to report more. This drill rig here (on the Powerpoint slide) is on the Pit Rim Walkway so there's Haszard Street, there's Martha Street here, there's the offices that we work in and that's the little piece of the Pit Rim Walkway that we've shut down and people are now walking around there. You can see where that's going, it's heading down that way. That's the same rig there with the mast there heading down that way. We've got another one just up here on the pit rim and that's surrounded by big sheets of plywood as a noise mitigation measure. It stops the noise from the rig coming straight across the Pit Rim Walkway and into the house that's just up here. We also have another rig on the closed part of Seddon Street. If you're driving past the Kenny Street Dairy and you look across towards the rugby club you'll see some containers there, there's a rig there, and again those containers are a noise mitigation measure. There's also a fourth rig which is just across the road over here between Waihi Central School and a block of flats that we own and that one's pointing that way.

Underground we've got four rigs and they are doing exactly what you'd expect them to do underground, they're going out this way and they're going down. So they're having a look to see what's there. Those eight rigs are all operating at the present time.

Joyce said: Didn't Newmont have a look there?

Kerry said: Newmont had a look in a number of places but there's still reasonable sized gaps that need to be looked at to see if there is something there. So absolutely Newmont did, they spent quite a bit of time in 2012 and 2013 and then they started to wind that down.

Kit said: And the gold price changes. Right now it's rallying again.

Bev Ireland said: So the ore that you are going to be mining under our houses, how long a consent have you got to do that?

Kerry said: The consent for that whole area with the line around it allows us to take up to 2021, so there's a 12-13 year consent. But that was, if you remember when Correnso was first consented, it was huge and because of the gold price and things that's a lot smaller. What was the timeframe for mining these extensions? Was it a year?

Donna Fisher said: Until 2018?

Kerry said: Yes, so for the mining under the houses, they won't be under your house for that long. It's not going to be 2021.

Kerry said: We always make sure we've got plenty of time because again we were looking at a much bigger mine, it would have taken a lot more time to get through and that's what was consented.

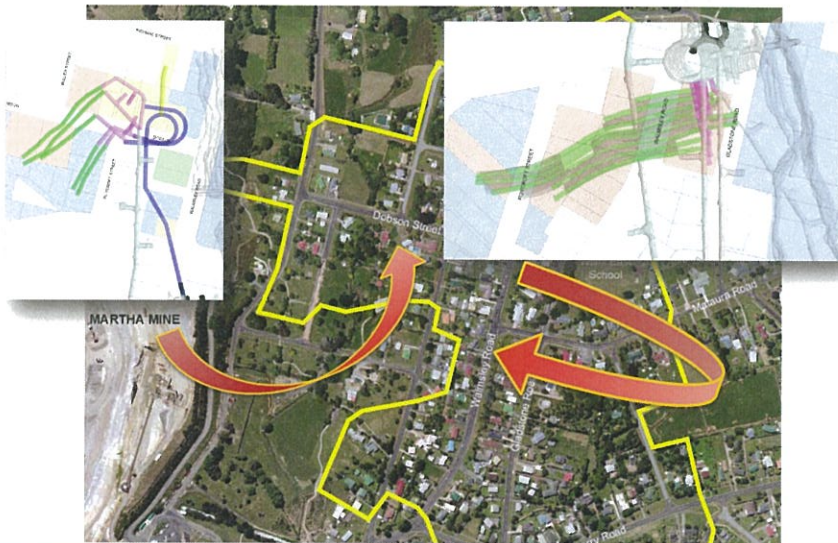
Tim said: Kit before you jump, where are the four rigs underground? In existing mines?

Kit said: They're in Correnso. And the thing about putting rigs underground is that you don't have to drill through that first 100 metres which is not mineralised, which is all explained in the Eastender and the update. So it's much easier and also you can go horizontally whereas with the surface rigs they're all going at an angle.

Tim said: And they're all exploring the reaches of the Correnso Extension Project Area?

Kerry said: They'll be having a look all over the place and they get changed from doing what they call grade control which is looking to see where it is to make sure your mine design is optimised to going out and actually doing exploration holes. They get moved throughout the mine as and when they need them.

Empire & Daybreak



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Kit said: Moving on to Empire and Daybreak. Please don't take it as gospel with regard to exactly where the point of these arrows is, it doesn't mean exactly that, this is just an indication. So there's the CEPA boundary, there's what used to be Walmsley Road and as I have now had pointed out is now Kenny Street, and we will change that (street name) for the next meeting.

Empire



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Kit said: Here's Empire, and Donna you had a very good explanation as to the colours?

Donna said: The light grey on the side there and that grey tunnel that's running through the middle, that's the existing Correnso workings as they are to date. That purple long line there is a development drive that gives them access to the pink area which is what we call stope drives, they're the drives that we put in to get to the stope and the stope is the green, so that's where the gold is, and that yellow line up the top is just an exploration drill drive that they are going to put in there.

Dee Stevenson said: Kit can we get a copy of that?

Kit said: When we got asked that this afternoon we said yes, but can you wait until the next Eastender. Then it turns out you can actually download it off the investor relations stuff.

Donna said: We still have to go and see some rentals in that area. Although we approached the property owner we haven't talked to the tenant so we just want to go and give the tenants a heads-up but we should be able to do that in the next few days.

Kit said: Given that you can download it from Toronto, we were just being a little careful because we didn't want anybody to be surprised, as in someone pop over the fence and say, "Hey read this".

Mike said: But it doesn't show the properties.

Kerry said: Yeah you're right; these maps are for our purpose of having a discussion with the owners.

Donna said: As you will appreciate we want to have a chat with the property owners before the information gets out there.

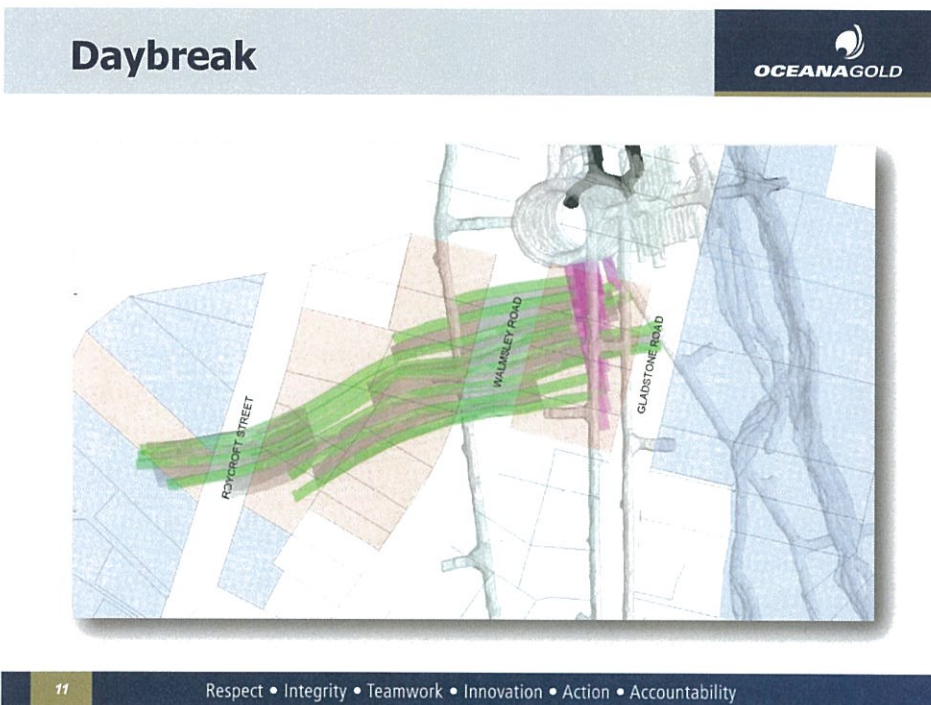
Kit said: So I guess the answer is now yes.

Tim said: Is it the case that you want to wait before you put out the maps that have the actual addresses on them till you have talked to the tenants?

Kerry said: My preference is that we will wait until we've talked to them and then we can put it out and that's why we're saying if we get it out in the next Eastender – when's that due?

Kit said: That's not due for another 3 weeks.

Kerry said: Well it might be slightly before that but that might be an opportune time to say, "Hey look this is where we're at, we've spoken to everyone at that point" and then we can just say "hey here is the design" because we will need to report on that as we mine along.



[While we were preparing the minutes Oceana Gold confirmed that all relevant parties have been spoken to and therefore copies of the two maps are attached at the end of these minutes - Tim]

Joyce said: And all those green bits are going to be stopes?

Kerry said: Yes, so you need to remember the ore body, when it sits in there, it sits like this (on an angle rather than straight vertical). That's why they look like they're side by side. So when you're seeing these, they are actually all along the same piece ... so it's a vertical. When the gold is deposited it comes up through the epithermal, through the vents and it comes up, finds the cracks in the ground and comes up through the cracks and deposits it so you're actually mining out a slice.

Kit said: Any questions about Empire or Daybreak?

Mike said: Are they as narrow as you thought they were originally?

Kerry said: I'd need to go back and check that, they are fairly similar in size. The veins are the same as what they were around Correnso. They differ in width as you go along but generally they're the same.

Mike said: And you said originally that those two had sort of shifted?

Kerry said: One of them, instead of being like this, it was like this (tilted over on its side). This meant that when you looked from the surface down it was under more houses. And that was true for Correnso as well. It was the top end of Walmsley – called Kenny street now. And that's when they thought it was like this, they did the infill drilling and found out it was a bit more like this and captured a couple more properties.

Social Overview

AEP/Top Up/IRP



- ▶ AEP cheques delivered
- ▶ AEP will operate for Martha

- ▶ Top Up ends 17 March
- ▶ All applications must be received by this date

- ▶ IRP

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Kit said: AEP, top up and IRP. If you get AEP or were eligible for it this time your cheque should have been delivered.

Joyce said: No mine wasn't.

Kit said: Come and talk to us afterwards.

Kit said: AEP will also operate with Martha around the area of the new access ramp so if we have issues there and we're noisy then we'll be doing the same thing with AEP as we do in Waihi East.

Tim said: So will that just be the same as what operates already?

Kit said: It just extends the area.

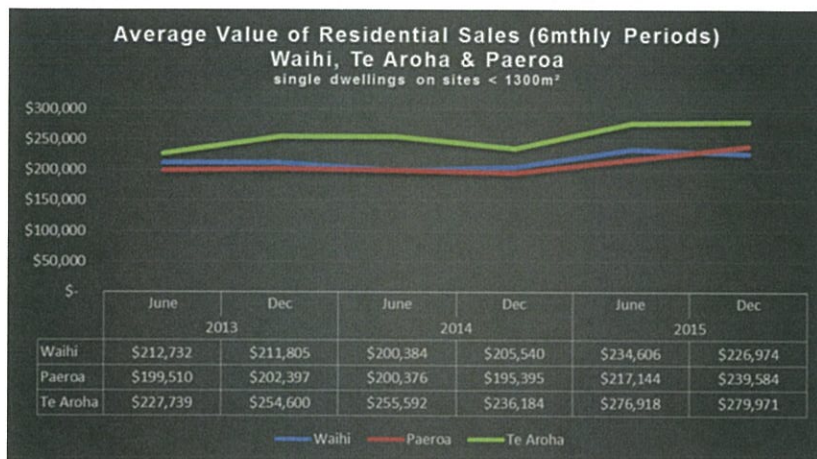
Kerry said: There's no boundary as such because the vibration isn't contained in any boundary. It's just done on that calculation, based on the monitors and the monitoring network that was there from when we were operating the pit and then it's just done on that same formula. Because that was the basis of the Correnso formula, so we've effectively picked that up and put it across.

Kit said: Top up ends in a week and a bit. You will remember top up was instituted back in 2012 before Correnso actually started and then got folded into the consent conditions and was due to run for 2.5 years and that 2.5 years is up on 17 March. As I said to the group earlier this afternoon we're not stopping it because it's the end of the 2.5 years, we're stopping it because it's done its job and the whole idea of top up was it maintained some sense of normality in the market after the announcement of a big project which in this case was Correnso. And that's what it's done. All the data that we're receiving now is that the market is the same, and is back to normal again and therefore we are pulling the plug on that programme. To apply for that the applications have to be in by 17 March, it doesn't mean that everything has to be done and dusted by 17 March.

Joyce said: That's people wanting to buy houses?

Kit said: That's the system where, and I'm going to use make-up numbers, if your house was worth \$200,000 and after the announcement of Correnso nobody would pay you more than \$170,000, you came to us and we said, "Okay we can pay for \$30,000" and that put it back to \$200,000 again. Now what we're finding is that houses are selling without fuss and the market is back to normal, and all the data we've got is saying that it is.

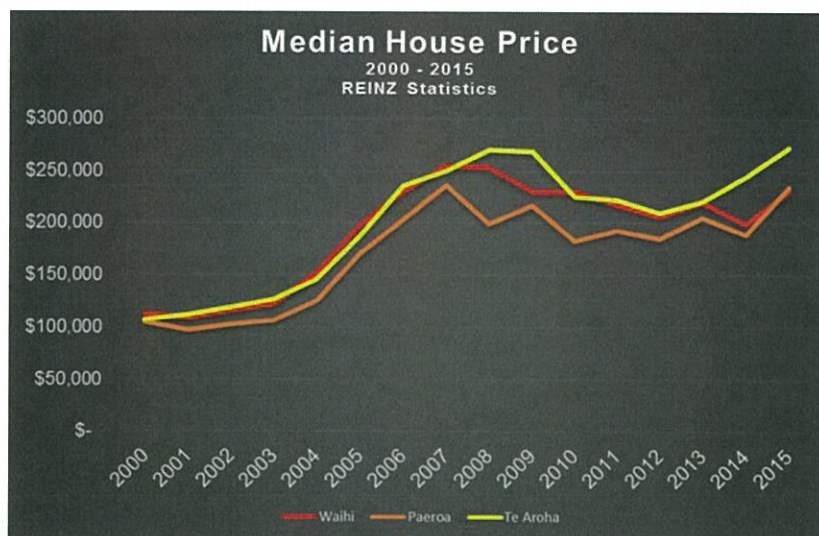
AEP/Top Up/IRP



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AEP/Top Up/IRP



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Kerry said: The latest round of IRP went through, was publicised, late last year. There were 14 applications in total of which the IRP put a short list together of five and all those people on that list have been approached and are in various stages of working through the sale or the valuation process. Interestingly enough of that 14 over the month and a half period where they were being considered, I think there were seven sold by themselves.

Tim said: So the IRP process is, "Please buy my house"?

Kerry said: Correct and it's, "Buy my house because I'm not subject to a Consent Condition 46 offer to buy but I'm affected by mining and I think I'm having difficulty selling my house because of that". They can apply and go through that but in saying that, of the 14 applicants, there were six or seven that sold in that month and a half period anyway while the considerations were going on.

Tim said: And there's five under consideration now?

Kerry said: The IRP go through and rank them for us and there were a clear five which were distinct from the other ones. Those five have been approached and an offer to purchase has been made and they are in various stages of working through that.

Mike said: So what's left in the fund now?

Kerry said: We need to work through which ones actually want to sell or don't want to sell and then we work that out. At this point in time we don't know until we've gone through and finalised the valuations.

Mike said: Any reason why it was delayed? Because there were some deadlines put in place for the IRP purchases.

Kerry said: The consideration process was part of that issue so that was resolved and we went back to those people to let them know where it was at. The decision was still made before Christmas which I think was in line with the notification we gave people.

Mike said: From what I understand they weren't informed until quite a bit after Christmas.

Tim said: Not informed until quite a bit after Christmas?

Mike said: Yes.

Kerry said: They were informed and we had a meeting on 23 or 24 (December) to make sure they were informed and the letters went out.

Tim said: So informed prior to Christmas with the process of then discussing sale.

Kerry said: Correct, then moving into the sale process in the New Year.

Joyce said: We've just had our houses re-valued and it says there's 3 months for you to make up your mind whether to sell it to the mine or not. Now is that hard and fast that 3 months?

Kerry said: You need to have a chat to the Property Group and they'll bring that issue to us. I'll need to look at which one it is and work through that process. We'll catch up with you after (this meeting) and work through the 3 month thing because we have to make the offer 3 months before.

Bev said: I've actually asked Donna some questions and she gave me a verbal answer when the property guy came and saw me and I'm waiting for it in writing because I want to mull it over. But they also said that while the mine is being worked, around and under me, I have the option to take up that offer.

Kerry said: Correct, at any time. So if you chose to take the ex gratia ...

Bev said: Well that was 2 – 3 years ago.

Kerry said: That's right, the offer stays live.

Bev said: So if, later on, I opt to take that offer, do we have a new valuation on the house?

Kerry said: I'd need to look into that. I would have thought you'd want to go through that process because things may have improved in the area and you want to make sure.

Bev said: Well that was a question that I actually didn't ask Donna.

Kerry said: My "off the cuff" answer would be if it had been a year or two that had elapsed, I think it would be prudent to go through that valuation process again.

Donna said: I will come back to you with the answer to the questions.

Bev said: Yes please.

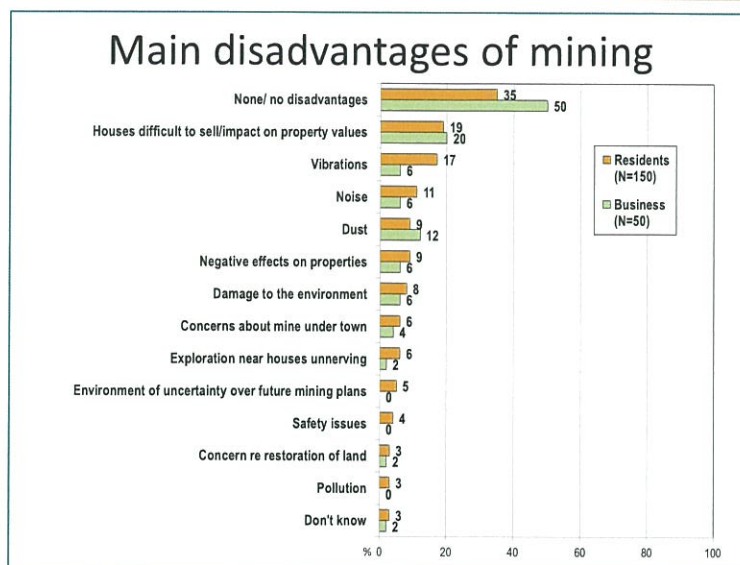
Tim said: Where are you? Where's your house?

Bev said: In Gladstone Road and I am, and Joyce is too, one of the four houses that they're going over on that Daybreak.

Tim said: So that's why it's happening now, because it's one of the two new areas. Got it.

Social Impact Management Plan

Survey data



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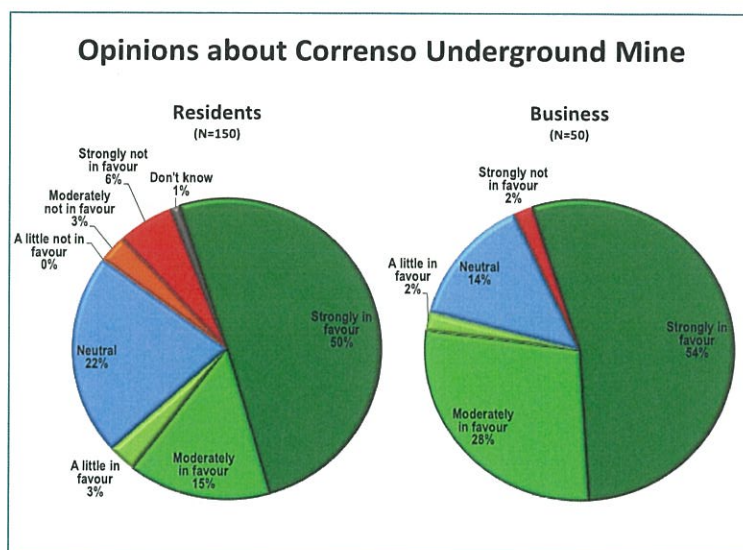
Kit said: Remember the SIMP, the social impact management plan which, seems to have been going on forever? That data was all collected, the survey was done in October, the data was all collected by an independent company, that was all verified and bits and pieces were done to it. It then went to council on 26 February and that's with council now and once they're happy that will be made public in its entirety. It's a long, complex, drawn-out document but what it does is provide a snapshot of a whole load of things. All I've done on two slides is given you two examples of this audit stuff. Joyce obviously you can't read that because you're squinting at it.

Joyce said: I can actually see it. Does that say "no disadvantages" up there on that top line?

Kit said: Yes it does.

Joyce said: Who thinks that?

Kit said: The company questioned 150 residents and 50 businesses and these numbers here (along the bottom of the graph in the slide above) mean percentages, they don't mean numbers out of the 150. So this is what people perceived in the survey to be the main disadvantages of mining and in the business community 50% of them, so that's 25 out of the 50, perceived that there were no disadvantages. The things that were looked at were things like houses difficult to sell, vibration, noise, dust, negative effects on properties right down to pollution and my favourite one down the bottom, "don't know", "I'm disadvantaged but I don't know what it is". That's the sort of material that will come out in the SIMP.



Let me show you this one, and there are heaps and heaps of these pie graphs, that one is “Opinions about Correnso underground”, this one from the business community 50 people, this one from residents 150, and you can see slight differences like the “moderately in favour” is less with the residents than it is with the businesses, the “neutral” is more with the residents than it is with the businesses. Once this becomes public you can spend fruitful hours working your way through the data and that shouldn’t be too long from now.

Mike said: This is Correnso that we’re dealing with here. Is that the only one you’re working on any more or do you still do these for the other consents?

Kerry said: We did that the full SIA which incorporated a number of other areas. This is the SIMP, this is the annual review, and we go back and do more SIA.

Mike said: Is that once every 2 years?

Kerry said: A little bit more I think. It is regular. Gael is whispering “five” to me. So you’re right there is a requirement under some of the other consents.

Kit said: And it’s ongoing.

Kerry said: What we try to do so that we don’t over fatigue people is we try and look at building them together. The SIMP is different, the SIMP looks at Correnso because that’s what it’s designed to do. You can probably pull other stuff from that anyway around general perceptions of the mine and what the influence of the mine is.

Gael Hurley said: You have to do a perception survey every year which is the same sort of thing but it will have a different focus. This one that was done towards the end of last year focussed on the economy and employment. Next year I think the focus is on sections around property management and stuff like that, how Oceana is looking after that aspect of the consent conditions.

Tim said: And my question was just about, and this might be a Gael thing, so you’ve got some baseline data from 2014 is that right?

Gael said: When the SIA was done? Yes.

Tim said: And then these results can be compared to those, and then there’ll be an annual survey that you track the trends of.

Gael said: Yes, and other data that we’re collecting as well, lots of indicators.

Tim said: And that’s all publicly available?

Gael said: Yes it will be once HDC have decided that they’re happy with what’s been produced, they will put it out.


Tim said: And the previous stuff for 2014 is already available?

Gael said: Yes.

Kit said: What that will do Tim is it will allow us to identify trends so it's bit difficult right now because it's early days but later on we'll be able to identify trends in the community and then track them back to what we're doing, if there was a causal relationship.


Environmental Overview

Correnso



Vibration

- Six-months to date performance
 - » Correnso development blast (248 events)
 - Average 1.50mm/s (consent limit 2mm/s)
 - 95 percentile 3.05mm/s (consent 5 mm/s)
 - » Correnso production blast (95 events)
 - Average 2.05mm/s (consent limit 3mm/s)
 - 95 percentile 3.69mm/s (consent 5 mm/s)



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Kerry said: This is just our 6 months for vibration. So we had 248 events. The green dots are where the blasts occurred. The Correnso development, which is the underground roads, we had an average of 1.5mm/s against a consent limit of 2mm/s and the 95th percentile of 3.05mm/s versus 5mm/s. So really it's just saying it's compliant with the conditions. The same with the bigger blasts, the production blasts. There were 95 of those and we had an average of 2.05mm/s versus the consent limit of 3mm/s and the 95th percentile is 3.69mm/s versus the consent limit of 5mm/s.

It was raised at the meeting earlier this afternoon, that there has been a bit of a glitch with the AEP numbers there and they're working through that at the moment with the consultants and HDC to get those up and running. Those aren't a consent requirement but it's still important to be accurate and timely so we're just trying to iron out those issues.

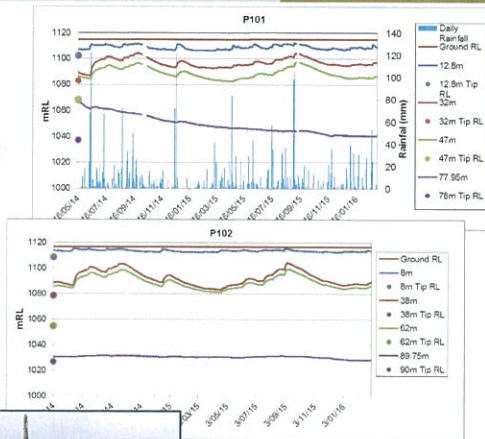
At the earlier meeting we also had a couple of questions, "Why doesn't this one (Secondary South West) trigger much?" That's purely because of the underlying ground conditions, the way in which the blasts are fired, how it transmits, but more importantly this array was set up for the bigger Correnso and this one, this one and this one (pointing to Secondary South West, Secondary West and Secondary North West) were set up to help monitor the (Empire and Daybreak) extensions. So we actually put those monitors in, in the initial stages so that we've got a monitoring network that is still there and we don't have to make any alterations to it when we start to mine the Correnso extensions.

We did have discussion at the earlier meeting about some really funny things that were happening and we discovered that on one day someone was using one of the monitors as a sawhorse, someone was mowing their lawns next to it, someone was doing roadworks next to another one and there was something else happening, trees being felled, so of course there were a few issues on that day trying to work out what was happening.

Also, interestingly enough, apparently we've got diamonds. I was going to drop that into this meeting. Kit got a query the other day from a major media outlet in New Zealand saying, "I hear you're doing diamond drilling, where are the diamonds located?" Kit had to explain to them that there weren't actually diamonds. Anyway I digress.

Dewatering

- ▶ Monitoring of piezometers is ongoing
 - » Shallow monitors respond to rainfall quickly
 - » Deep monitors stabilising
- ▶ Installation of Piezo P100
 - » Daybreak monitoring
 - » Installed Feb 2016



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Kerry said: With the piezometers – everything seems to be settling out in this deep one (purple line on the graphs above) which is good. Remember we just want to make sure that these top ones (lines on the graph) aren't going down. This is just natural fluctuation, you'll see they're still responding to rain, they had some rain here and these things have peaked up again. We had put in a new one so we needed to have another piezometer with these extensions (Empire and Daybreak) and the reasons that we monitor these piezometers is to make sure that these upper aquifers aren't leaking into the bottom ones because if that happens that's when you get your settlement issues. You get the ground movement. We monitor these just to make sure the bottom ones are de-watered, but the top ones aren't and they are fluctuating with rainfall. We just finished last week putting this new one in here to help monitor those. We didn't need to put one at the top because this line of piezometers is sufficient to capture that area but we did need an extra one over in this area because it was sort of sitting out by itself.

Kit said: Joyce that goes some way to explain what you were asking about water before. There are different water tables. So we're de-watering the one at the bottom there, the purple one. The ones at the top stay there. So if you had a farm and you had a water bore down, and it was going down into that one there where Kerry's got the pointer, you'd still be getting the water out of your bore even though we are de-watering down at the purple one.

Kerry said: And that's why all the trees round town are not dead. Because that's what you could have, if you de-watered this there'd be no water in those upper layers which means the trees would all turn their toes up.

Tim said: What's between those layers?

Kerry said: There's a layer of rock, a really dense layer of rock which it's hard for the water to get through. It will go through but very, very slowly so it holds it up above. People will remember the Gladstone Road issue where we had the settlement and damage to five houses. What happened is that there was a drill hole that went from up here (through the dense layer of rock) to down here and it wasn't plugged properly and allowed that water to drain through. So it effectively put a hole in the barrier and allowed that water to come out. Then there were some localised areas of soft material that de-watered faster than the stuff around it and unfortunately the houses, the boundaries, were on the edges of those and caused them to crack.

Tim said: Kerry why isn't it a problem that that purple line is tracking downwards?

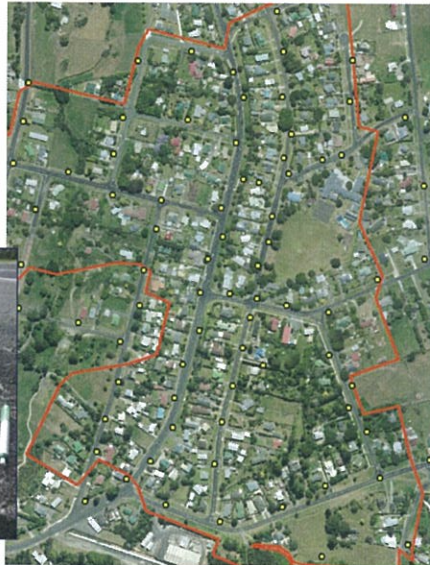
Kerry said: That's okay because these ones aren't and the aquifer is separated so there's actually a layer of thick, competent rock through here that the water can't get through. And this (dewatering on the purple line) is anticipated because if it didn't happen our miners would have to wear scuba gear because they'd be under water.

Tim said: It (the decline in the purple line) is a result of you de-watering for the mining?

Kerry said: Correct.

Settlement

- ▶ Fourth survey of markers in November 2015. No settlement issues for Correnso.



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Kerry said: Correnso settlement survey. Every 6 months every single one of these dots has got one of these little pins in it and the qualified surveyors go out and survey them. We did the last check in November 2015 and there was nothing of note to report back from that. You always get some little movement up or down but that's purely because the ground has contracted or got wet and saturated because of the weather conditions.

Joyce said: Is that that pink ring?

Kerry said: That pink ring is just around it to highlight where the pin is. It's just a thick roof nail embedded in the ground, and they set their device up and they check between this one, this one, this one and this one and then they work out if this point has moved in relation to those or not. That's something we report on to the council and that's also available on their website. So that's the six monthly settlement survey.

Questions and General Discussion

Mike said: IRP for Daybreak and Empire – is that available?

Kerry said: Yes, it's all part of the CEPA.

Mike said: Is it set up on a different schedule from the other one?

Kerry said: That's the question for the WCF, they're the ones that help determine when and where the next round will be but I'm assuming they will run another round at the end of this year on an annual basis.

Mike said: But it is a separate ore body so it is sort of a separate issue.

Kerry said: Well, no it's all part of the CEPA consent boundary and it's part of the CEPA consents that IRP is there.

Mike said: I realise that, but that was the whole point of delaying the ones for Correnso in the first place, because they wanted people to experience what was going on.

Kerry said: Again that's something you need to pass on to the WCF and to get their view because that is their decision. They're the ones that help administer that pot of money and determine when the applications will be and what process they'll go through.

Tim said: So the Waihi Community Forum sets the rules?

Kerry said: Yep and then the IRP uses the rules to do their selection process and then they report back to the company and say "these are the ones that we think you should buy" or "this is how we've separated them out".

Kerry said: So Mike we'll take that up for the next meeting. It would be helpful for them to give some guidance at least in the next little while as to when they think the next round will be.

Bev said: The perceived damage to houses, I've had this discussion before, and I got told that my house was wear and tear when something happened to it. How can we be guaranteed that if some damage is done to our house that you will fix it? You have always said that what you break you will fix. But we couldn't prove that the damage was done by an excessive blast. I just want guarantees.

Kerry said: There's actually a condition in the consent, I don't have mine with me at the moment, that has a property damage type process to go through where you call the company, the company has a look, if you're not happy there's a qualified engineer that comes and has a look and you can follow that process right the way through.

Tim said: Does it then go to the council?

Kerry said: No it doesn't go near the council, it goes to the IRP. Finally I think it's the final point of arbitration. So there is a process there.

Bev said: I know what the process is but I'm a bit worried as I know one of the houses that you bought their water cylinder exploded and different things like that. Is that going to be perceived as wear and tear?

Kerry said: We would get a qualified building person to go and have a look and try and work out ... I struggle to see how a cylinder is going to burst as a result of the activities that we're doing. But that's up to them to make that decision and then the process is there if people don't agree with it.

Joyce said: You just want to be safeguarded.

Kerry said: Yeah I understand that.

Joyce said: Like mine, when they came round, they said it was the wind. Well you see I know it wasn't the wind and it is just a little thing, it wasn't even a big thing, it was the fascia board came away from the doorframe and I know it was a blast because that blast lifted my gas heater off the ground and it had a 9kg bottle. I don't mean it went up here but it was off the ground and when it came down ...

Kerry said: We rely on the expertise of those people going and making those assessments and there is a process because it was, and Mike could probably talk to that as well, something that was brought up in the consenting process and they wanted to make sure that there was a safeguard so it didn't just end with the company saying this is what the answer is. There is a process you can follow through.

Tim said: So for Bev and Joyce to know what that process is they could have a look at the resource consent?

Bev said: I have actually got that. I do know what the process is. You know, you say to me "wear and tear" but it didn't happen at 27 minutes past 7 one night when you exceeded your blast and I was sitting right under the crack that went up inside my house.

Tim said: Did you follow the process through?

Bev said: I did get them to come round and look at it. Because they weren't actually blasting right near me, they were blasting over by the tennis courts, there was an exceedence, you know I could have gone to someone else, but they've got all this data to say that your house shouldn't be damaged.

Tim said: So was that in Trio days?

Bev said: It was Trio.

Tim said: Were the consent conditions the same?

Kerry said: They were different but again they used pretty much the same process.

Tim said: Right. So did you track it down again? You got told that it wasn't a blast, did you then follow through with the process?

Bev said: No I didn't go further than that.

Tim said: I'm curious about why not. You don't have to say, but it's just like ...

Bev said: At least I got them round to take photographs of my house which I feel should safeguard me a little bit and this is why I have asked for a BRANZ report to be done on my property before they start blasting under my house this time.

Kerry said: And as part of Correnso we had to do a number of BRANZ surveys and they have to be agreed by the council to make sure they are representative of different houses, different structures, different locations within and outside of CEPA so that we had some baseline data to look at as well.

Tim said: So Bev is that going to be done, that BRANZ report on your home?

Bev said: Well I have been told verbally that it will be done. That's why I want it in writing.

Joyce said: What I did is I got a person that does these checks to come round and check the whole property so that if anything happens I've got proof that it wasn't there before and I paid them quite a nice sum to have that done but to me it just safeguards me from them saying it's the wind or the sun, which does happen.

Tim said: Thanks Joyce. So there is a process in place around that. You're a bit cautious about whether the "if we break it, we replace it" promise by the mining company will happen. But you've backed yourselves in terms of getting those assessments done or you're going to get the BRANZ assessment done.

Mike said: I have a question about the Correnso mine. You said first of all that the website gives also some detailed information. It does give a good overview of what you're actually doing. I understand Correnso upper and lower were mentioned at the earlier meeting?

Kerry said: Yes, we are looking at that with infill drilling. The gold price dropped and that constrained the mine. When gold prices change it gives us a different price structure with the way we can operate, so we're having a look at those levels and it is likely that we will hopefully be able to add one or two.

Mike said: Are those levels within the original area?

Kerry said: Yes it's all within what was consented. So there's nothing outside of the consents that's being looked at or considered. If it was, we'd have to go through a full (consenting) process to deal with that.

Mike said: How far down have you gone?

Kerry said: I don't know the exact answer. They've been looking all over the place at the moment. They are looking at a couple of levels at the moment but not to say they're looking any further. As long as they're above that 700 line which is what's in the conditions.

Bev said: So if you're drilling a wider area do you have to go through the Environment Court to get those consents?

Kerry said: No, the (exploration) drilling is all covered under the Crown Minerals Act. It's interesting when you look at Waihi with the number of years and the historic stuff, the place has got lots of drill holes everywhere, so that's covered by a different part. The District Plan also has provisions that are permitted activity rules for exploration drilling.

Bev said: Yeah but if you find something ...

Kerry said: If we found something, and it was outside of the Correnso area, we would have to go through some form of a consenting process.

Bev said: Like you went through with the Environment Court?

Kerry said: It can go through different levels of a process. They could have it non-notified which means that the council doesn't have to tell anyone about it, notified where they tell certain people or full notification where they tell everyone. If there was something way away from anyone and the company owned all the land above it ...

Bev said: What about over by the college area?

Kerry said: Well that's what I'm saying. If it was out there and there was community interest and it was going to be under peoples' houses then it would go through that full process.

Tim said: And Bev you're asking about the Environment Court but it can go through a hearings process run by the council before it would have to go to the court if it does.

Kerry said: That's what we did for Correnso, we went through the council level hearing and then the Environment Court.

Kerry said: We can't just go out and start mining. We would have to go through the process.

Kit said: But if it was directly under our farm then we wouldn't need to do that.

Kerry said: We would still get a consent.

Kit said: You'd still need a consent but you wouldn't have to go through that full process because the land is ours.

Kerry said: As long as you could justify there's no effects on other people.

Bev said: I wasn't meaning if it wasn't yours, but if it was yours I was just thinking of, say, we moved from where we are over to somewhere else on the other side of town and you were going to follow us.

Kerry said: That's right, you almost need to say "drill a hole under my house to make sure there's no gold" before I move there.

Website

Kit said: I need to talk briefly about the website if I may.

Our website is on its last legs at the present time and Phil's being making a valiant effort trying to keep it up and running. What happened was as we moved from Newmont to Oceana there was no money invested in the website and it needed some significant changes and it also needed to change servers and a whole lot of other bits and pieces and so for the last couple of months Phil has been cursing me and others as he tries to keep it up and running.

Our new website should be up and running, if not next week, the week after. I've seen the first version of it today and it just means apologies for those of you who've been dealing with a creaky website that has, in some cases as you found out Mike, dropped things off that were on there. I don't understand that at all and it was highly embarrassing this morning but that will be up and running by next week. It will be easier to navigate, it will only be one click through to blast times, one click through to updates and a whole lot of other new bits and pieces so we're looking forward to that and thank you for bearing with us.

Tim said: Same address?

Kit said: Yes still www.WaihiGold.co.nz

Dee said: How often will the blasting be for MEP (Martha Extension Project) in the ramp area?

Kerry said: For the ramp in the pit? Every 1.5 days sort of, it's sort of three or four a week depending on what their cycle is.

Donna said: MEP has been shelved, that's just for the ramp.

Kerry said: This isn't part of MEP, sometimes it will be every day and half-ish and sometimes they might do a blast two days in a row, otherwise they've pretty much got a day in between.

Tim said: Same sort of windows of timing?

Kerry said: They are between 11 and 3 but we'd get that out on the website.

Coasters

Tim said: I wondered about what was happening with the coaster alarms. Do you use them?

Joyce said: Wasn't that a warning thing that a blast was going to happen? When I had it I could just hear this music and thought, "Where's that coming from?" I was looking everywhere and then someone said it's that thing that you plug in.

Tim said: Right, so you haven't got one now?

Joyce said: No I haven't got one. They were faulty weren't they?

Jeannine Wiki said: Yes the first version had problems.

Joyce said: But I didn't want one back again because I didn't need a warning really.

Tim said: This new coaster system is in place Jeanine, is that right? How many have gone out?

Jeannine said: 70 or 80 I think.

Tim said: And good feedback?

Jeannine said: Yes so far. Some like them and some don't.

Mike said: Was the problem solved with the repeater?

Kerry said: There were a couple of black spots around the place and they have been sorted out.

Jeannine said: We used to go through the radio station, we don't now.

Next Meeting

Tim said: The next meeting will be in 6 months time (the date was not set at the meeting).

(Post meeting - the date has been set at 7 September 2016).

Tim said: Thanked everybody for attending.

The meeting concluded at 6.35pm.

Attendance Register 5.30pm	
Bev Ireland	Joyce Mahy
Mike Moskal	Dee Stevenson

