

## **Correnso Extension Project – Community Meeting**

**Wednesday 13 August 2014 5.30 p.m.**

The following is a record of the Correnso Extension Project Community meeting held at 5.30 p.m. on 13 August 2014. 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 for those who would like to listen to the actual discussion at the meeting, a compact disc (CD) is available from the Waihi Visitor Information Centre, HDC Service Centre, and NWG admin office. An attendance list is appended to these notes.

### **Introduction**

Tim welcomed all present to the meeting and gave Sharon's apology. Tim asked those present to ensure they have provided an accurate and legible email address and explained that *if* people had not received an email copy of the notes from the last meeting, it may be because we haven't got an accurate email address.

Tim explained that the meeting process would provide for questions throughout the meeting and that when people wanted to ask questions, they needed to wait for the microphone to be brought to them so that the question and the answers can be recorded for the benefit of those who do not attend but want to listen to the recording.

### **Andrea Durie External Affairs Manager**

Andrea introduced herself and tendered apologies for Kerry Watson the Newmont Environment Manager, and for Russell Squire Senior Environmental Officer who had attended the 2.00 p.m. meeting but was unavailable to attend this meeting. Andrea said that if there are any questions relating to the environmental part of the agenda (Kerry and Russell's expertise) then Newmont will find the answers and publish them alongside the minutes or give the person who asked the question a personal update.

### **1. Project Overview**

Andrea provided a brief recap of information about the hearing and mediation process provided at the last meeting and invited people to ask questions.

#### **Slide 2: Recap of Consent (slide 1 was the introduction page)**

- RMA Hearing: December 2012 (adjourned) & March 2013
- RMA decision appealed to Environment Court
- Agreement on conditions reached in mediation:
  - 5x appellants
  - 3x 274 parties
  - discussions held in confidence and without prejudice
- Conditions approved by Environment Court (minor amendments)
  - 18<sup>th</sup> Oct 2013
  - conditions on HDC and NWG websites (NWG includes summary)
- Significant work for Newmont (not more of the same)

There was the RMA hearing in this hall in December 2012 and then we came back in March 2013. The decision was positive in favour of the project however there were some elements that we couldn't work with so we appealed to the Environment Court. We went into self-facilitated mediation but couldn't reach agreement there so we went into Court assisted mediation where we reached agreement so we didn't have to go to the Environment Court hearing.

There were 5 appellants and 3 274 parties (people who attach themselves to an appeal). That grouping of people sat in a room for nine days through the Court assisted mediation, getting information and feedback from experts and throwing ideas backwards and forwards to get agreement. On October 18 2013 the Environment Court approved the negotiated and agreed resource consent conditions. You can find those on the websites of Hauraki District Council or Newmont Waihi Gold ([www.waihigold.co.nz](http://www.waihigold.co.nz)). We want to stress that it (what was agreed to) isn't just more of the same, the things are quite different to the conditions within which we (usually) mine.

### Slide 3: Recap of key mediation outcomes

- CEPA versus GLPA (halved in size)
- 12 years versus 20 years
- Greater restrictions
- Greater monitoring, reporting & access to information



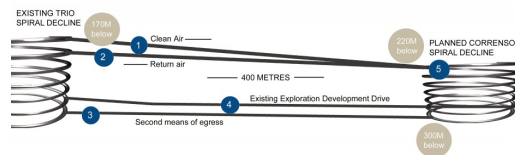
Some of you will remember that when we initially made the application it was for a much larger area, it took in most of Waihi East and was called the Golden Link Project Area (GLPA). With the Correnso Extension Project Area (CEPA) the size of the area has been halved (see map on slide 3).

The same has been done with the life of the consent, it has been reduced to 12 years and we were originally asking for 20 years. There are (also) far greater restrictions on how we operate with the blasting and so on. There are additional aspects that are compulsory that we used to deliver voluntarily and there is a lot more access to information. That sits on our website and Hauraki District Council have information sitting on theirs.

## Slide 4: Item 1 – Project Overview Project Approval and Start

### Project approval & start

- 1 August 2014: funding approved
- Correnso development underway



### Indicative timeline:

- Now to end 2014: Correnso development
- January 2015: Correnso ore drives (development) begin
- Mid 2015 (approx August): Correnso production (stopping) begins



On 1 August 2014 we got full funding approval, which meant that we could start the Correnso Project proper. Some of you may remember that we have put in an Exploration Development Drive and that was purely to allow us to conduct more drilling into the ore body so we could understand spatially how that is sitting. That started at the end of last year and was completed in April of this year. That helped us understand what was down there better to a point where we had enough confidence to get full funding approval from our Denver Corporate office. Once we had the funding approved, Correnso got underway straight away. (Looking at the aerial photograph on slide 4 above) this (white line) is the Exploration Development Drive that was finished in April, that allowed us to undertake further drilling to understand the ore body sitting over here (to the right of the white line). Now we are actually starting the project proper with the Correnso development, this (aerial photograph on slide 4) is the 2D two dimensional mine map that has gone out for August. The 2D mine map is something that we are required to publish at the start of each month when we are mining. That shows what we are doing and where we are planning to be for that month.

You can see the red spots here, the start of two development drives here (marked 1 and 2 on the map) and a further development drive here (marked 3 on the map). There is the start on the spiral decline up here (marked 5 on the map). That is possibly a little difficult to understand. (Looking at the cross section diagram at the top of slide 4) we have the long section here which shows the existing exploration development drive (marked as 4 on the diagram). This (the coil to the left) is the Trio decline. Please excuse the graphic this is not an actual spiral decline it is a Sleepyhead bedspring that we extracted off the internet, but represents the Trio decline. This (coil to the right) is the Correnso spiral decline that will be developed. This is one of the development drives here (marked as 3 on the cross section) that corresponds with this one over here (marked as 3) and these two up here (at the top of the cross section diagram) that correspond with these two over here (marked as 1 and 2). Hopefully that helps to explain the drives and how they relate to one another. The yellow line is the CEPA boundary. (There are copies of these diagrams available on the ([www.waihigold.co.nz](http://www.waihigold.co.nz)) website).



I have put an indicative timeline up there to give people an idea of when we will be undertaking this development between now and the end of 2014. These development drives (marked 1, 2 and 3) will continue out and join into this spiral decline area. Each month there will be an update as to where we will be operating as we move towards that.

In January next year the Correnso ore drives will begin. That is still considered to be development in mining terms but under the consent conditions because it is related to ore we move into needing to placing offers around stopes. That will make a little more sense later in the presentation. Around mid 2015 is when we think production will begin. I have put there approximately August but as you will see as I go into the next slide we are relying on a lot of things working well as far as understanding the ore body better, our drill programme happening on time etc but if anything gets a little behind time that could push the August date out, if we get ahead then it could bring it a little forward.

Mark asked: Is there any reason why Newmont can't give us a 3D indication of where you will be working given that the distance from our properties to where you are working is quite important to us, i.e. the depths.

Andrea said: We can certainly add depths here. I defer to Kit but I understand that 3D is quite difficult to do and any level of accuracy isn't it?

Kit said: We probably could do it is that people have struggled with the cross section but have totally misunderstood the 3D but we can probably do that.

Mark said: Sounds good I look forward to seeing that posted soon.

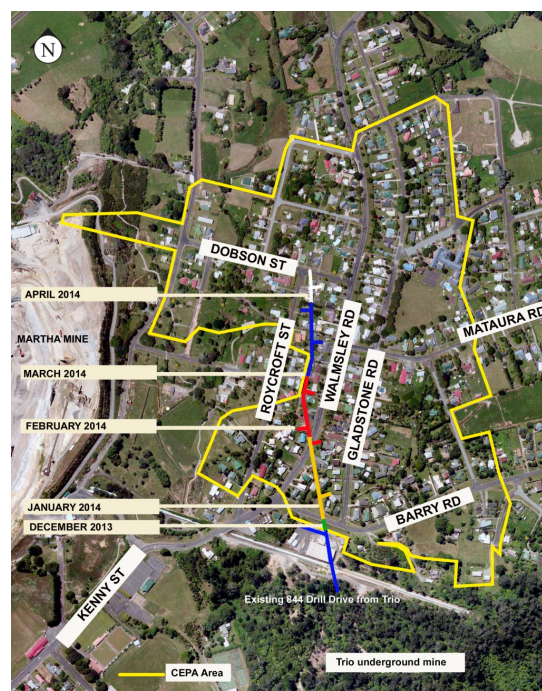
#### **Slide 5: Item 1 – Project Overview Exploration Development Drive (EDD)**

##### **Exploration Development Drive (EDD)**

- drive completed 22 April 2014

##### **Exploration Drilling from EDD**

- focused on southern end of Correnso ore body
- Aug-Sept: northern end (& very south)
- Aug-Oct: Empire/Grace and Daybreak
- Oct: Correnso grade control (or infill) drilling – grade distribution & structural nuances



Andrea said: As I mentioned about the Exploration Development Drive. This was the mine map at the time, which shows that in April we were finishing off the drive. Everything I have talked about regarding timeframes is dependent on our exploration drilling programme. The key dates are really what is going to happen at your end which is that at the start of 2015 we will begin work on the ore drives and in the middle of 2015 production blasting will start. We do now understand the southern end of the ore body, by southern end I mean Mataura Rd

and below, and we need to do some more drilling in the northern end to better understand that. It has started and will be happening through September as well.

Mark asked: Can you elaborate on October (Correnso grade control).

Andrea said: (Referring back to slide 4 above) We come back in October to drill more out of the Correnso ore body to understand what is happening with the ore. Right now we have an understanding of how it is sitting spatially, what we don't have a handle on is the geology and grade distribution. Where the ore concentration is highest and lowest. Because it is an epithermal, pinches can occur, what we think is a straight vein can go in and out. We need to get a better level of detail so we can mine it most effectively.

Mark asked: Will you be drilling on both sides of the development drive?

Andrea said: No for this particular piece of the programme we will be drilling here (points right of) from the development drive.

## **Andrea Durie (Standing in for Kerry Watson and Russell Squire)**

### **2. Environmental Overview**

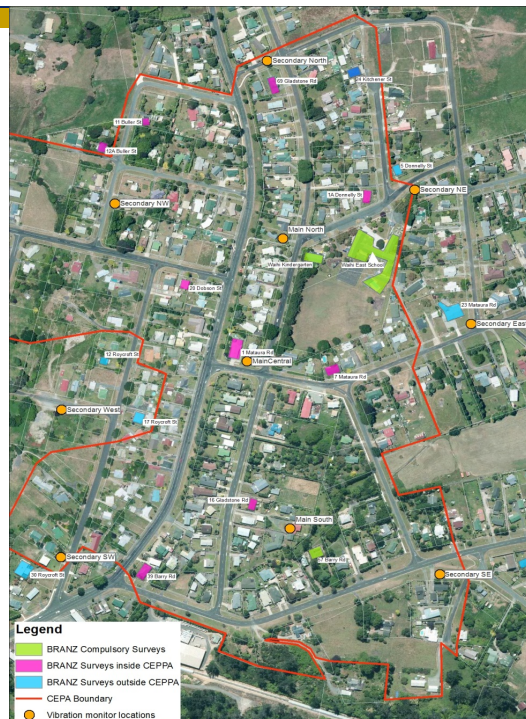
#### **Slide 6: Item 2 – Environmental Overview – Vibration and AEP**

##### **Vibration**

- Correnso development drives started early August 2014
- No monitors have been triggered yet by this activity (ie below 0.75mm/s)
- Monitors are picking up vibration events (generally Trio production blasts or non-mine events)

##### **AEP**

- January to June 2014
- 312 payments (vibration)
- approx. \$151,000 total



Andrea said: From a vibration perspective what you are looking for (on this map) is the little yellow dots, they are the vibration monitors. This (red line) is the project area boundary so this is where the vibration monitors are located. It is early days but the monitors have not been triggered yet, remember it takes two vibration events occurring at the same time to trigger as an event. That is what shows up on our website for those of you who are signed up for blast-hub. So at the moment the monitors are picking up some of the Trio blasting and some of the non-mine events. They are working but have not been triggered by Correnso development.

Mark asked: Are they picking up anything from Martha?

Andrea said: I am not sure if they are picking up anything specifically from Martha or in that area. I would expect they probably have if in the short time frame they have been going there has been anything from Martha large enough to trigger two monitors at once.

Mark said: I have felt something over the last couple of weeks.

Andrea said: Yes a couple of people at the earlier meeting said they felt something too.

Tim asked Mark what area he lives in.

Mark said: Gladstone Road, in fact quite close to one of those monitors.

Mike asked: Are we any closer to getting the website so that it is just putting out information that relates only to blasts? I spoke to Russell about this before, about putting filters in place. The answer that came back was that he did not want to introduce any more human intervention into an automated process. But, the automated process just isn't giving any useable results.

Andrea said: I will go back and inquire about that. We need to have a position on it, that is really where you are coming from, it's a bit fluid. I know that the guys are happy to keep making adjustments where they can. I can see where Russell is coming from to an extent because then we start getting accused of 'fixing' what we put on the website and the whole idea of it was that it was completely independent. But we will have a chat to him.

Mike said: Yes, because according to the consent conditions it does list that it is 'blast events' not 'vibration events' so if it is just putting up vibration events then it is putting up stuff that has no relevance.

Andrea said: Thank you Mike.

Andrea continued: Because AEP is generally related to vibration now (see slide 6) so from the last 6 month period we paid out (Jan to June) there were 312 payments all based on vibration, and there was approximately \$150,000 paid out.

Mark asked: You say monitors are picking up vibration events that are generally Trio production blasts or non-mining vibration events, what else are they picking up? If you say 'generally' then (other than those things) what else are they picking up?

Andrea said: I would have to go back and check. I am not an Enviro so I will have to go back and check that and get an answer for you.

Donna said: Could be traffic or someone mowing the grass verge and hitting it or banging it but the trace on the monitor that produces it clearly shows what is blast and what isn't.

Mark said: I know, that comes under non-mine events but from my position I would be surprised if it wasn't picking up other blast events. So, I am asking if that (word you used) 'generally' means that it is picking up other blast events as well.

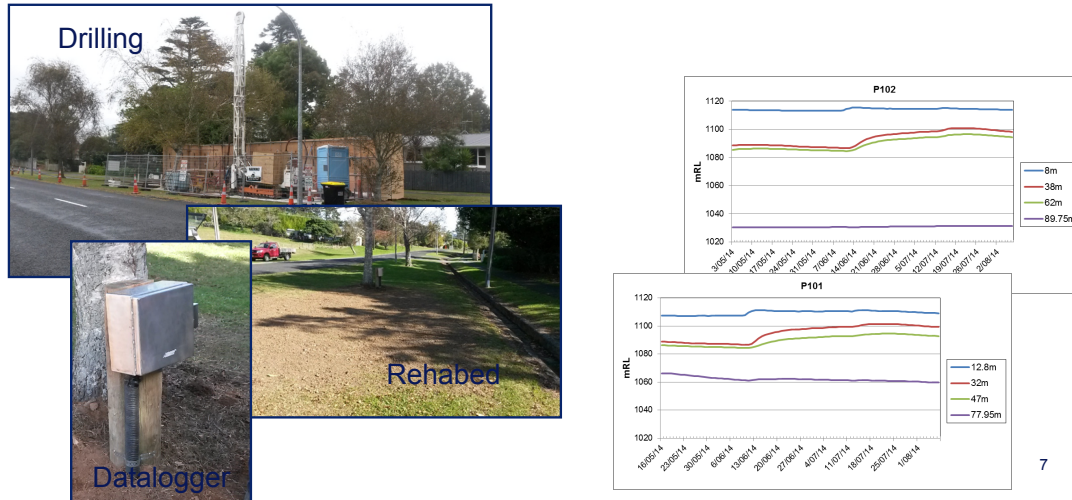
Andrea said: We will follow that up and come back to you on that.

Mark said: Based on what I am feeling it should be.

## Slide 7: Item 2 – Environmental Overview – Dewatering

### Dewatering

- Installation of two new piezometers complete, monitoring ongoing.
- Results showing response to rain (269mm, 8-12 June 2014)



Last time we talked about the two new piezometers we have put in. I can't explain how exactly they work. We have installed a couple more having talked to the experts about where they should be located. These graphs (on slide 7 above) show the monitoring of the higher water tables and this shows the effect of a high rainfall event (pointing to the upward kink in the lines on the graphs above). (Pointing to the lower line) this is the lower water level which is the one that we tend to influence. Once these settle – this is creating the baseline information that we will continue to monitor and report back to Council.

Tim asked Andrea to read out the depths of each sensor on the graph on the slide because it was hard to read for those in the meeting room.

Andrea said the blue line is 8m, the next one is 38m, the next is 62m and the bottom one is 89.75 m.

Mark asked: Are those distances below ground level?

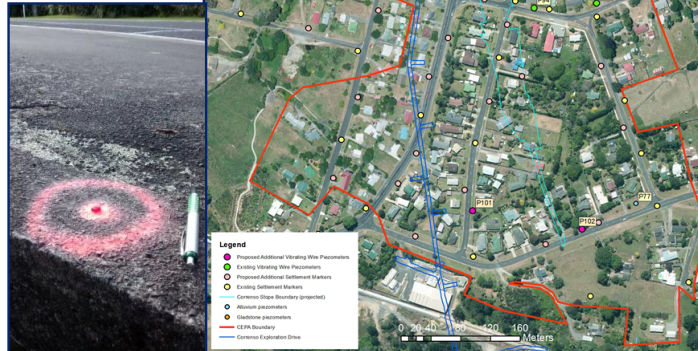
Kit said: When we put the piezo hole down we put down a borehole which is hollow then inside that we put a core of piezo string. If you imagine a piano wire with a heavy weight on it at each one of those levels then what each one of those is doing is measuring the water table at that level. Depending on where the ball is on that level, it either tensions or slackens the piano wire and we measure the vibrations, which we change into water pressure which then we turn into water table level. One hole enables us to measure several different water tables within the one hole. Those measurements as you said do relate to ground level.



## Slide 8: Item 2 – Environmental Overview – Settlement

### Settlement

- Six-monthly survey completed May. No erroneous settlement
- First survey for 41 new marks over Correnso ('baseline' measurement). Future data based on these coordinates
- Data from 2013 has been analysed and the report submitted to HDC and WRC



Andrea continued, in addition to the two new piezometers that have gone in there are also new settlement markers that have gone in. This is a six-monthly survey – there was no erroneous settlement that was picked up. This data will be used as baseline information which will be tracked. It is a little confusing with so many dots on there but the location of the settlement markers was agreed between the experts to determine decent coverage. We simply have a contractor install them.

Dale asked: Can you clarify what you mean by erroneous? Has there been no settlement? Or is it within 150 mm tolerance or something?

Andrea said: I don't know what the tolerance level is but it is within a level, which is acceptable or expected. Settlement will occur, not just because of mining, ground is moving all the time and there is a level which is deemed to be neither here nor there.

Tim asked: Dale would it be helpful to know what is deemed to be an acceptable tolerance level?

Dale asked: What was it prior to mining?

Kit said: Well we will never know because the mine has been put in.

Dale asked: Well what was the base then?

Kit said: I think we have just put the report up on the web today. The settlement has to do with differential settlement as in settlement over that 1000m. I can't remember the couple of mm that it is but it is pretty minimal.

Mark asked: I assume that there will be uplifting as well as settlement.

Kit said: There always is, when the ground gets wet it expands and when it dries out it contracts but it is the differential settlement that is part of the consent condition.



Mike said: There was a question last time regarding the placement of the settlement markers? Because you said you put them that 50m apart, line of site around the ore body and I asked last time about across the ore body because you have got some sections there where you are looking at, at least, 160 m and if you look at the area where the Gladstone subsidence was, you have got several settlement markers all in that one area which indicates that you have substantial movement in a very small area. There was supposed to be an answer come back.

Andrea said: And I don't think it has, not to you has it Mike?

Mike said: No, as far as I am aware of.

### **Andrea Durie External Affairs Manager**

#### **Slide 9: Item 3 – Social Overview**

##### **Property Programme – Stage 2**

Re-appointed The Property Group

Over Correnso development

- end July: all ex-gratia offers made
- 20 of 23 have signed the agreement



Over Correnso stopes

##### *Phase 1*

- south of Matura Road: initial visits from 12 August; 13 owners

##### *Phase 2*

- north of Matura Road: initial visits approx. late October 2014

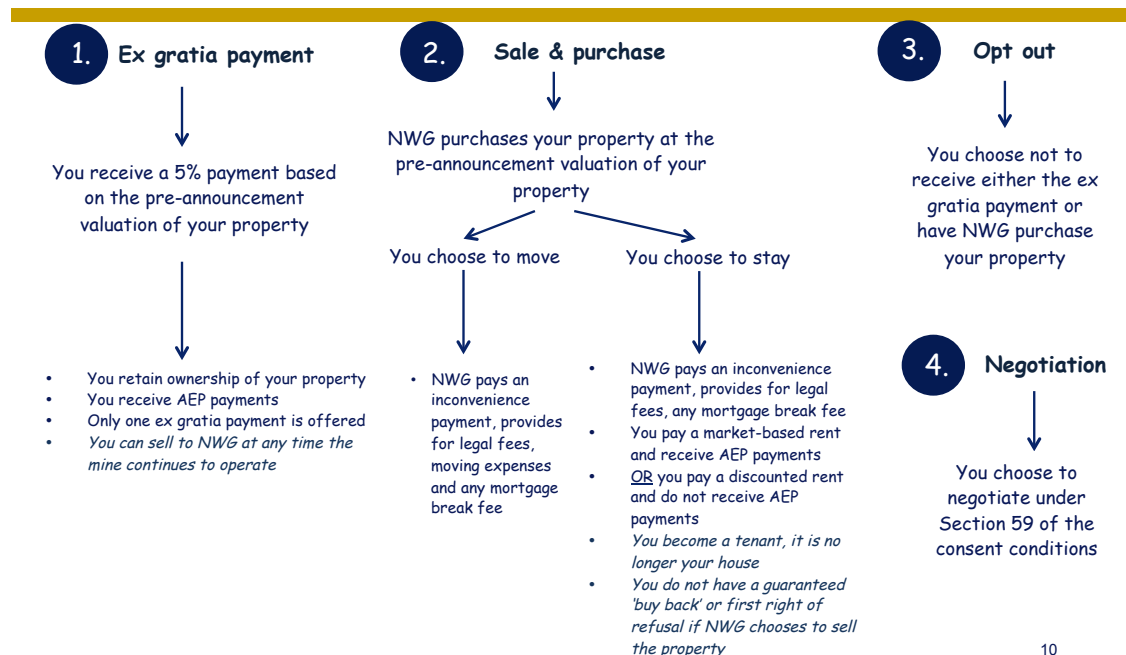
9

Andrea said: I will move on to the social update. We have moved on to stage two of the property programme. Stage one was about implementing the Exploration Development Drive and offering ex-gratia payment to those who were above that. Stage two involves the Correnso Development Drives and offers have been made and we still have some that haven't signed up an agreement, which is fine. We finished presenting the first offers at the end of July. There has been some toing and froing with some people, which is good. Some people wanted a word changed or something and we have been quite happy to look at it. So far we have been able to accommodate.

Now we are moving into (the ex-gratia payment process relating to) the Correnso stopes, which unfortunately we are having to do in two stages. Initially we were hoping to be able to go out and approach everyone who is going to be over stopes but as I mentioned earlier, we don't have enough information on the northern end of the ore body at the moment to be confident in approaching people. South of Matura Road we have conducted a lot of the necessary drilling and this week 13 property owners have been contact who we know are (going to be) over the stopes. There are a few more that we will be speaking with who will be on the edges of the southern stopes, once we have done additional drilling to firm that up.

Clearly we need to do that with a lot of precision because we are dealing with people's legal title and boundaries and so on. Hence we need to take some care with that and that takes a bit of time. Later in October we should have a better understanding of the northern end of the ore body, above Mataura Road and we should be able to go out and talk with those property owners at that time.

## Slide 10: Item 3 – Social Overview (cont'd)



This next slide outlines the options for people. This (information in italics) outlines pretty much what is in the consent conditions. These are some points we wanted to make – to be clear what we are offering and what we are not offering. [Point 1] With the ex-gratia you receive the 5% payment, people are familiar with that. The difference with being over a stope (as opposed to the other reasons for receiving ex-gratia) is that it does not eliminate you from asking Newmont at any stage during mining activity to purchase your home. If you wish to retain ownership but at some point for whatever reason, and those reasons are entirely up to the individuals, you want to move you can give us a call and we can initiate the option to purchase. That is at any time during mining activity.

[Point 2] With the sale and purchase option we go through the same process of getting the valuation and you are presented with an offer and you can choose to move on (if you want to) and there are a number of costs and options that are outlined there (on the slide); or you can sell to us and choose to become a tenant in what was your home. You can choose to stay and pay market-based rent and receive the AEP or choose a discounted rent and not receive the AEP. The options are there for people whichever way they want to go. The key for this is, from my perspective, people need to be clear they are becoming a tenant and that might be a little difficult for some. There will be house inspections etc. There are up sides and down sides with these options and we want people to be aware of those.

[Point 4] What is also provided for in the consent is the opportunity for people to negotiate under section 59 of the consent conditions. In essence section 59 says if you have another idea and it doesn't fit with what is there (on the slide) then have a chat with Newmont. As in any negotiation, it has to fit with both parties.

[Point 3] There is also always the opt out option. People, for whatever reason, may not want to accept an ex-gratia, may not want to go into the sale and purchase process and that is entirely their prerogative.

That is the summary in a nutshell, if you want the detail then read the consent conditions.

## **Slide 11: Item 3 – Social Overview – SIMP, SIA and Cultural**

### **Social Impact Management Plan (SIMP)**

- identifies key social indicators, monitored annually throughout project
- submitted to HDC: met consent requirement (20 Feb deadline) draft approved with further amendments post-SIA
- anticipate release of final / approved SIMP approx. Nov 2014

### **Social Impact Assessment (SIA)**

- snapshot in time of impacts (positive and negative)
- fieldwork (2 weeks total) & data analysis completed by Banarra
- deadline of 20 August 2014 to submit SIA to HDC

### **Cultural**

- Iwi Advisory Group established; two meetings held
- priority placed on Cultural Awareness induction

11

Andrea said: This is just an update on the social research side of things. We have Social Impact Management Plan (SIMP) which will be in place and will be monitored regularly for the life of the project. It picks up on the key social impact indicators and they will be monitored annually. Reports will be provided by an independent person to Hauraki District Council (HDC). At the moment, that SIMP is sitting with HDC and us as a draft; it hasn't been released yet because it doesn't have the baseline information in it. We needed the Social Impact Assessment (SIA) to be completed before we can populate the SIMP. The SIA provides a snapshot in time of the concerns and the good things that are going on. Banarra have gone through their field work, took them two weeks in total. They have produced their first draft SIA which keeps us on track for the 20<sup>th</sup> of August to submit the SIA to HDC. Once the SIA is submitted we can take that data and populate the SIMP and that will hopefully be approved by HDC then it can go up on our website. That will be announced to people.

Tim asked: How many people were contacted by Banarra?

Mark said: Is that confidential?

Tim said that 6 people from the afternoon meeting had indicated they had spoken to Banarra (this was not correct there were 5 people who said they had been contacted. 2 people at this meeting put their hand up).

Mike asked: I recall hearing on the radio or something that they picked the people for the social impact assessment from the phone book or something?

Andrea said: For the residents in the project area, the method was to use random numbers matched up with the phone book.

Mike said: So they were from the affected area.

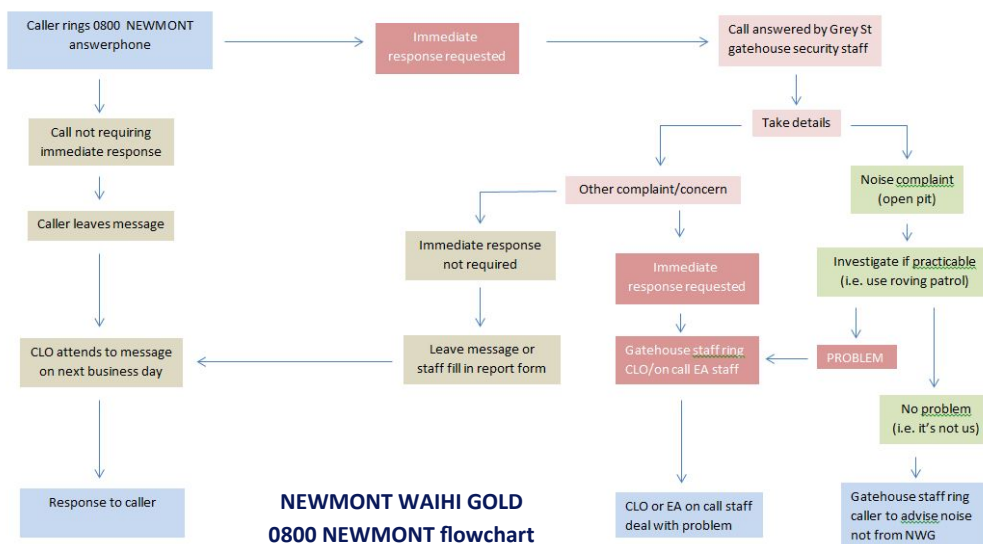
Andrea said: Yes.

Andrea continued: The other thing (on the slide) is that the work with iwi is continuing to progress. We have another meeting tomorrow we will see a draft of the cultural induction process and if that is all good we look forward to introducing that for our workforce in quarter 4. That is going pretty well.

## Slide 12: Item 3 – Social Overview – Community Engagement Line

### Community Engagement Line – 0800 NEWMONT

- Implemented changes: options available & after hours calls



Andrea said: This is just an update from last time about the changes made to the community engagement line. We had queries about leaving a message rather than having to speak to someone to have something logged. People now have the option to push a button and leave a message. We of course follow that message up. After hours we have a system where our gatehouse responds to the call initially that (information) still comes through to us and we will follow that up. Particularly in the early stages when we want to make sure there aren't any gaps in the process.

If people have any feedback or issues with the process, we do want to hear about it. People last time asked if they could email, and people do email at the moment, we still accept that and will follow that up but it is not an official (channel).



## **General Discussion and Questions**

Tim asked Andrea to go back to slide 4 and asked what people can expect as the next steps (from mining).

Andrea said: The next steps, what you will start feeling if you feel anything will be the development drives being put in through here (marked 1, 2 and 3 on the slide). You can keep a track on where we are (on the map on the website) so if things are feeling closer than the last month then you can check the monthly mine map and see where we are anticipated to work. It might be a bit closer to your property and that might be why you are feeling it a little more. People will be feeling that through to the end of 2014. That is the focus for the rest of the year without getting too far ahead.

Tim asked: Then production from around August 2015 onwards?

Andrea said: That's right. For those that aren't overly familiar with the different (types of) blasting, we have development blasting and we have production blasting. Development blasting creates the 5 x 5 metre tunnels. Development blasting requires lower levels of vibration. Production blasting is designed to bring out large panels of dirt, therefore there is more explosive used therefore those blasts tend to be larger.

Tim asked: So people can expect more of the same, just a bit nearer, for the next 12 months?

Andrea said: Yes, then we move into production.

Dale asked: How much was the funding, I haven't heard any figures, am I allowed to ask?

Andrea said: \$32m was provided.

Mike asked: With respect to the map that you have got there (slide 4) as it gets more involved, would it not make more sense to have something along the lines of your development drive map, with less clutter and just showing property lines so that it is a bit easier to discern what is happening.

Mark Buttimore said: Mike is talking about cadastral boundaries.

Kit said: Explain that a bit more to me Mike because I do those.

Mike said: I mean as opposed to an aerial photograph, it would be easier to understand.

Kit said: Yes, that could be done.

When Tim asked for people's thoughts about whether this is a good idea. The general answer was yes.

Kit asked: So we put the same information on but instead of an aerial photo we just have property boundaries?

Mike said: Just here to make your job easier.

Kit said: I could do both.

Mark Buttimore said: Just wearing the regulator hat Kit both would be preferable. As a regulator we like the aerial photo but the cadastral boundary stuff is fine.

Andrea said: We can just do one side and the other.

Mike asked: A point of clarification, there have been people that the market value aspect of determination of value is supposed to be based on pre-Correnso announcement timeframe but if you read the consent condition then it says "ignoring the announcement" so it would be current market value then wouldn't it?

Andrea said: The intent is that if people have the view that mining has lowered their property prices then we take that out of the picture. That is the intent that was discussed and as Mark was part of the discussions (in the mediation) then he can probably confirm that.

Tim asked: So is that what is actually happening? That the value pre the announcement of Correnso is being used?

Andrea said: That is my understanding.

Dale said: Not quite, my valuation was based on recent sales of similar nearby properties.

Sonja said: It says 'Ignoring the announcement of and existence of underground mining in the area taking into account the values of nearby towns if necessary'; I think that is how it goes.

Andrea said: We can clarify that with the Property Group and put the answer in the minutes (or contact people directly if they want).

Mark asked: Given the resource consent application did not have to go to the Environmental Court.

Andrea said: It did, it didn't have to go to a hearing.

Mark said: Given the resource consent application did not have to go to a full hearing of the Environment Court this would indicate to me substantial cost savings to Newmont. Can some of those cost savings be redirected into the community programmes for the very people that came to an agreement during the negotiations in the mediation? There must have been hundreds of thousands of dollars saved.

Andrea said: It has also saved the ratepayers hundreds of thousands of dollars so your rates don't have to go up because in effect the District Council would be sitting in the Court Room.

Mark said: Sorry I don't really understand.

Andrea said: If we are sitting in the court room then the District Council who rate you would be sitting at that table as well.

Mark Buttimore said: Yes

Andrea said: So it is the same for both parties.

Mark said: So we get a reduction in our rates as well?

Andrea said: No, you just don't get an increase in your rates.

Mark asked: I thought Newmont was responsible for paying Council costs?

Mark Buttimore said: The law requires that the council defends its decision and therefore those costs have to be met from rates.

Mark said: The maybe Newmont could reimburse some of the council costs. Clearly there must have been significant cost savings.

Tim asked: From a mediation perspective, were some of the things that Newmont agreed to in the mediation might have been trade-offs. Things like the increased level of data provided and the various processes that have been talked about. Is that not how the costs saved translate into a way that Newmont contributes?

Andrea said: Yes, the reporting is free obviously but there were other initiatives that meant there was more to play with. It was made clear that if there was no agreement in mediation then everything would be off the table if we had to go to hearing because there would be other costs to be factored into the process. So there is a lot in the consent that is mandatory that have been put in the consent (conditions) that we would not have considered (offering) if it had gone through to a hearing.

Mark said: It must have been a huge cost saving.

Andrea said: We believe there are things that through a formal environment court hearing would not have been considered and would not have been seen as necessary. Whereas, the opportunity to sit around the table and put things in and massage things (in mediation) means there are things in the consent that would not have been forced upon us if it had been a formal hearing.

Mark said: If it would have been cheaper for you it probably should have gone to the environment court.

Andrea said: Well it could have but how the bucket of money was used, we didn't think was unfair. Those who were sitting in the mediation can attest to this, Glen said, 'here is a bucket of money, you tell us how it should be spent'.

Mark said: Newmont would have had a budget for the full hearing.

Andrea said: If there was, we knew in 2013 that we had an agreed resource consent, it would not have been budgeted forward. The money has gone.

Mark said: All along it has been that Newmont couldn't afford to do more for us and I am suggesting there was a cost saving through the direct negotiation.

Tim asked if Mark is seeking a formal answer from Newmont about this point.

Mark said: I would appreciate that. The cost savings and where they have gone.

Andrea said: I don't know if we are going to divulge that level of information, we are a commercial operation. We are pretty open with what we divulge but there are levels of sensitivity. I am not going to commit to specifically that but I will see what we can provide.

Tim asked Mark if he agreed to the question being framed as:

*"There must have been cost savings as a result of the mediated outcome, can they not be contributed to the Waihi community in some way, to the people who have been affected?"*

Mark said: Sure, given the strict budget that was stated all along.

Tim said: He would ensure that there is an answer to that question available at the next meeting.

Andrea said: Or we can put the answer to that in the minutes.

Tim asked: Are these meeting useful? We have had three of them now, is it helpful to come and get the information and ask the questions?

All present nodded and/or said the meetings are useful.

Tim asked: Do you have any suggestions about how they could be more useful? There were not comments or suggestions so Tim suggested that attendees can email Kit or Tim and Sharon if they have any ideas or suggestions.

Mike asked: Did we go back to the ore drive comment? We were talking originally about the development drives and then you talked about ore drives that you referred to as stopes and made the comment "I will get back to that later". I am not sure that you did.

Andrea said: Hopefully I did but may not have specifically. In January the ore drives start. Ore drives are development, from a mining perspective they are development but when it comes to the consent, because it is linked to the ore, they come under stoping. It is quite confusing, from a public perspective it comes under stoping but we will still be operating to the development level of blasting even though, because we have initiated stoping we could initiate production blasting (levels) but there is no need to. We are just looking at developing 5 x 5 metre tunnels alongside the ore body.

Dale asked: In that the mine plan would show extra levels of drive. Not just those 4 drives (slide 4) there would be substantially more?

Andrea said: Yes, but wherever an ore drive sits we have to consider them as stopes.

Dale said: Just for people here. I have seen mine plans. In between the two bed springs (slide 4) there will be extra black lines for access to the ore body.

Andrea said: Correct and what might be useful for the next meeting might be to talk about the type of mining we will be doing.

Merv asked: You have some beginning dates up there (on the slide) what about the end dates?

Andrea said: At the moment, the end date for Correnso as we know it is mid 2017. But, we have a whole lot of exploration going and would be hoping to extend that within the project area.

Merv asked: What then?

Andrea said: If there is nothing else then we close.

**The meeting concluded at 6.30 p.m.**

**Next meetings 12 November 2014**



<b>Attendance Register</b>	
Ashley Tubman	Mark Buttimore
Dale Riddle	Mike Moskel
Sonja Ireland	Jill Longergen
Pam Keull	Merv Lauder
Tineke Iverson	Dianne Purvis
Alan Purvis	Mark Armstrong
Jennifer Koopu	