

Correnso Extension Project – Community Meeting

Tuesday 8 March 2016 2.30pm

The following is a record of the Correnso Extension Project Community meeting held at 2.30pm 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.

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 asked attendees what they hoped to gain by attending this meeting?

Robin Davey said: Update on the latest mine gossip.

Helga Schmidt said: What the progress is with the Martha mine. I see that they are drilling.

Tim said: Obviously the big change that's occurred between this meeting and the last time we met was that Newmont Waihi Gold is now Oceana Gold. Does that mean anything different for us here today?

Kit Wilson said: We're just calling ourselves Waihi Gold and the entire process is the same because the process is covered by the consent conditions. There are a couple of slides in our presentation which will explain that.

Tim said: Wonderful thank you. And Andrea who used to attend these meetings doesn't work for the company any more? So the presentation will be by Kerry and Kit?

Kit said: That's correct and we'll explain that structure too.

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 Watson said: We're going to go into what it means to be Oceana for us now and really not a lot's changed. We want to take everyone back to the reason that we're here. The purpose of this meeting is set down in the conditions of consent and we are here to talk about these things which are listed. A description of the mining activities provided for under the consent means the underground mining activities. We're going

to go over a very high level what is up because I know there's some questions around there but the purpose of this meeting isn't a general catch-up on everything else that's happening, although we do provide that. These are the things that we need to make sure are ticked off:

- A summary of the environmental results relating to Correnso. Most people are interested in the settlement, noise and vibration, so we'll cover that off.
- A very brief update on the IRP property purchase. Everyone in the room probably has a good understanding of the IRP process. That is for people that don't have a consent condition that require the houses to be purchased. The length of time depends on the Waihi Community Forum and what they put out as far as the application times but it's an opportunity for people to have their houses purchased within the mining area of CEPA.
- Progress on any matters from the last meeting.
- At the end an opportunity for any questions relating to the consent to the underground activities. We will see if we can answer those, or we will come back with the answers when we have them.

Outline



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

3

Respect • Integrity • Teamwork • Innovation • Action • Accountability

We're going to quickly go through Oceana Gold, our plans, what's happening around the place, Empire and Daybreak. If you remember on the CEPA boundary there's those two little pieces that jut out towards the pit. They were always there for these two extensions so we're going to give you a little bit of a run-down on that. Exploration - everyone will have seen a number of rigs around. We've got a number of those working underground as well, just seeing what we can find. We'll give you an update on that. Kit will run through the recent community survey result which is part of the SIMP process and fed into that and then we'll have an opportunity at the end for 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

4

Respect • Integrity • Teamwork • Innovation • Action • Accountability

Oceana Gold are what they call a mid tier gold producer. Oceana has operations in New Zealand – here (Waihi), Macraes and Reefion which is now in care and maintenance. Over in the Philippines they have a place called Didipio which is a large open pit and underground mine. In the United States they have just purchased a mine called Hale in South Carolina which is in the very, very early stages – they don't have a

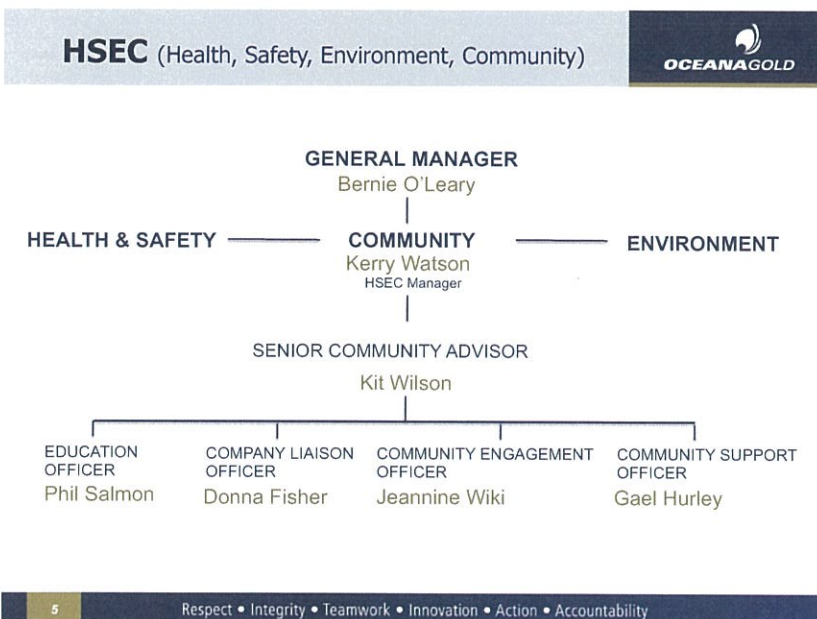
process plant yet, they're starting to build that. Their head office is based in Melbourne. Investor Relations is based in Toronto because of the stock market and where the majority of mining businesses are located.

Things that are different. The company structure is a little bit different. What we're finding under Oceana is we have a lot more control of our own destiny. (Previously) we used to get a lot more corporate direction, whereas Oceana have a model where they step back from that and they let the sites manage themselves more than we did. This (head office) group over in Melbourne is a lot smaller than what we used to have which is quite liberating for us. (Although) when we were part of Newmont we had a bit of anonymity anyway because we weren't in Australia so our corporate guys were a long way away from us and we were left to do things as we wanted the majority of the time.

Reporting on activities. We have gone from being a very, very small piece of a large company to being a reasonably good sized chunk of a medium sized company. That brings with it a lot more reporting requirements for the stock exchange. There are a number that are required by the Canadian stockmarket and the Australian stockmarket so we have to put a lot more information out there at a much earlier stage than we otherwise would have under Newmont.

There have been some staff go. Not many, probably a handful and what we are finding is that we are going through a reasonably large recruitment process at the moment getting a number of extra staff. On balance I would say that the staffing levels have gone up since the takeover has occurred.

A few things are the same. Community environment, that's pretty standard and it was Waihi Gold, we are still Waihi Gold. The parent company has changed but the majority of people that are around are the people that were always here and I think Kit's put there pretty much everything else as it was.



So this is probably just the one change we wanted to go over. We've got the General Manager, Bernie O'Leary, who has come up from Macraes. He's a Taranaki lad, born down in Taranaki, spent a number of years around the world mining and has been down in Dunedin at the Macraes operation for a fair chunk of time. He's come up here and taken over from Glen. I was responsible for Environment and I've now inherited Health and Safety, Community and Environment. This basically means that Kit and team now report up to me. So day to day nothing's changed and I still get the same amount of abuse from Donna and the rest of the team because they still just sit across the hallway from me. But this is really the change that applies to this process.

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

6

Respect • Integrity • Teamwork • Innovation • Action • Accountability

Kit said: So if we had still been *Newmont* Waihi Gold, this month, March 2016, we would have been shutting the open pit. That was the scheduled time irrespective of whether the slip happened or not, and 18 months from now is the time when we would have stopped with Correnso. But Oceana Gold didn't buy this place to close it, they bought it to see what else they can find here and so today we'll be talking to you about the construction of the new access on the north wall. If you haven't seen it you can pop up and have a look later on. I can briefly run you through surface exploration, and also talk a bit about Empire and Daybreak.

Martha open pit



- ▶ 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

7

Respect • Integrity • Teamwork • Innovation • Action • Accountability

I took this picture a week ago. On the north wall we are building a new ramp that will go down here (diagonally down to the right from the digger in the photograph). To do that we're taking this material away from here and "side-casting". Side-casting means that after we've blasted the material and picked it up in a digger bucket we're just tipping it over the edge. When that is finished we can get back into the pit (down to the right), do a sharp hairpin (to the left), and come back down here (to the right again).

Once we're back into the pit there's four things we can do. First of all we can plan the mining of the mine reserves, the 75,000 ounces of gold that Newmont left behind because they couldn't get in there. Also we'd like to de-water from the open pit again. When the slip happened that meant we couldn't get into the pit therefore we couldn't service the pump so we took them away and we've been de-watering them in Correnso. It would be a big help to us if we could de-water from both.

The other thing of course is to stabilise that slip, for two reasons. Firstly we want the north wall to be stable. Secondly if we can stabilise that it would allow us to investigate possible options for future production from the pit.

Kerry said: Just so people are aware, the ramp they're currently making is not for heavy vehicles, it's not a haul road, it's a road that we can get excavators down, it will take small light trucks but it is not a road that is designed to take ore out of the pit. It's purely to be able to get back in because what we need to do is drill

some more holes into that wall around that slip and work out what's happening so that we can determine what we're going to do next.

Erich Schmidt said: You tip it all over the side and then do you leave it in the bottom or what do you do with it?

Kerry said: Yes. At this stage it will be in the bottom. If they ever started production they may bring that out.

Erich said: Then you have to get it all out.

Kerry said: Yes that's right. But this stuff does not have ore in it. If it's left in the bottom of the pit it would be compacted and rolled out as a base and left like that. They will tidy each of the benches up as they progressively come down. Again, you would get a small truck down there so that you can transport pumps or drill rigs, but it will not be for hauling ore back out of the pit like we used to.

Tim said: Kerry, regarding a haul road, you will explore what needs to be done to the slip and then make a decision?

Kerry said: Yes absolutely. We need to know what's happening in that area before we can do any further planning. So this is so we can actually get into the pit so we can do more investigation as to what's occurring, or what we might want to do next.

Graeme Wilkinson said: Is the long term plan to open a haul road?

Kerry said: It really depends. As Kit said there's a reasonable number of ounces down there. It depends on, once we get these new holes in, looking at that north wall and the slip and working out if we can go around it slightly or what method we use if we cannot do that.

Graeme said: Okay, if you can't get round it do you have a plan B?

Kerry said: Not at this stage, that's why we've got to get down and work it out from there.

Kit said: But even if we can't get round it Graeme it would still be nice to get down there and do the de-watering because that would be helpful for what we're doing in Correnso. So there's a whole load of variations and permutations and options there.

Graeme said: Just on that, where are you de-watering from now exactly?

Kerry said: We are currently de-watering out of the underground and there is a purpose built de-watering system set up in the underground because they're both hydraulically connected. So in the past we didn't have to de-water from the underground because we de-watered from the pit. Effectively all we've done is reversed that now and we're not de-watering from the pit and we de-water from the underground.

Graeme said: And what depth are you de-watering from at underground?

Kerry said: I'd need to get the exact number but it's the same depth as we were in the pit.

Helga said: The two containers on one side of the pit and the drilling and machinery there?

Kerry said: We'll get to that shortly.

David Carrington said: What would be the chances of coming in underground from the Dobson Street end of Correnso?

Kerry said: Who knows what the chances are. We've got to get in there first and see if we can actually mine this thing before we can contemplate those sorts of options.

David said: Because there is a passage way ...

Kerry said: Yes that was for a vent shaft. Right at the top end of Correnso there's that long piece that comes to the edge. Remember when we first went through this process Correnso was huge, much bigger than it currently is. Because of that size we needed extra ventilation. With the size of the mine now we don't need that extra vent shaft so that was really for a vent shaft and to be fair that's probably in the wrong place if you were looking at doing what you were saying anyway. As far as where the north wall slip is and the location in the pit.


Kit said: But it has made for some fantastic gossip because everyone thinks that is the way we are heading in and it isn't.

Kerry said: Interestingly enough I think back in 2006 the company at one stage had a look at those sort of options. A long time ago.

Kit said: Anything else about the open pit?

Exploration





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

8

Respect • Integrity • Teamwork • Innovation • Action • Accountability

Kit said: Regarding exploration, first of all you should have received an Eastender in your letterbox. If you didn't then let us know and we will find out why. Did everybody get an Eastender? (All said yes.) That's good. Secondly you should have got an email?

Graeme said: No, and I didn't get one for the last meeting either when I think back.

Dianne Purvis said: We didn't either.

Kit said: Then before you leave this meeting make sure that you leave your email address with Jeannine and make sure I can read it because I'm getting a few bounce-backs. So, please make sure I can read your email address and then I will make sure that is up to date. Apologies but I don't understand how that's happened.

Donna Fisher said: I think Graeme, did you say, you didn't get the minutes?

Graeme said: No didn't receive anything.

Kit said: Oh well we'll fix that. But you did get the agenda?

Graeme said: Yeah the one you forwarded on.

Kerry said: Some of the latest software on computers has got the ability, when it sees multiple addresses being sent to, of treating it as spam so it puts it straight into your spam box. So you have to double check that.

Kit said: What I might start doing is I'll start sending it out in two lots. I sent about 90 or 95 emails and as Kerry says some programmes on computers treat it as spam.

Kit said: Anyway if you got an Eastender in your letterbox, or an email, or you saw the updates in the Leader last week, you will have seen that we've got eight rigs working at the present time. We've got four on the surface and we've got four underground. The four on the surface – there's one just over the road over here, between the school and the block of flats that we own and it's pointing that way.

Tim said: Back towards the pit?

Kit said: No, back towards town. And it's looking at historic workings to see if we can find anything down that way. We had a rig in exactly the same place pointing in the same direction, doing the same thing in 2007. Still looking.

Kit said: We've got three rigs on the pit rim. We've got one just up here. So if you walk the pit walkway you'll know that we've got one just up here and if you're wondering why it's got plywood around it, it's not because we don't want you to see what's happening. It's just a rig but what we're doing is making sure the noise doesn't go from the rig out onto the house that's on this side, so that it bounces back again. We've got another rig just behind where we work at the intersection of Haszard and Market Streets. That's chopped up a little bit of the Pit Rim Walkway because we did round there and we've got the other one which is round on the old closed off piece of Seddon Street which I haven't seen because I haven't been there, but that must be the one with the containers?

General group response: Yes.

Kit said: So, "Why containers?" It stops the noise.

Kerry said: It's a very cheap and easy way of barricading off those areas.

Helga said: I was guessing there might be some equipment in them?

Kerry said: No not a lot was needed for those drilling works but it's more just a way of stopping the noise coming out.

Kit said: So when we put the piezometer rig off Roycroft Street and Slevin Park recently we put containers all the way around that. My experience has been that not only does it stop the noise of the rig, it also stops the swear words of the staff that are working on the rigs.

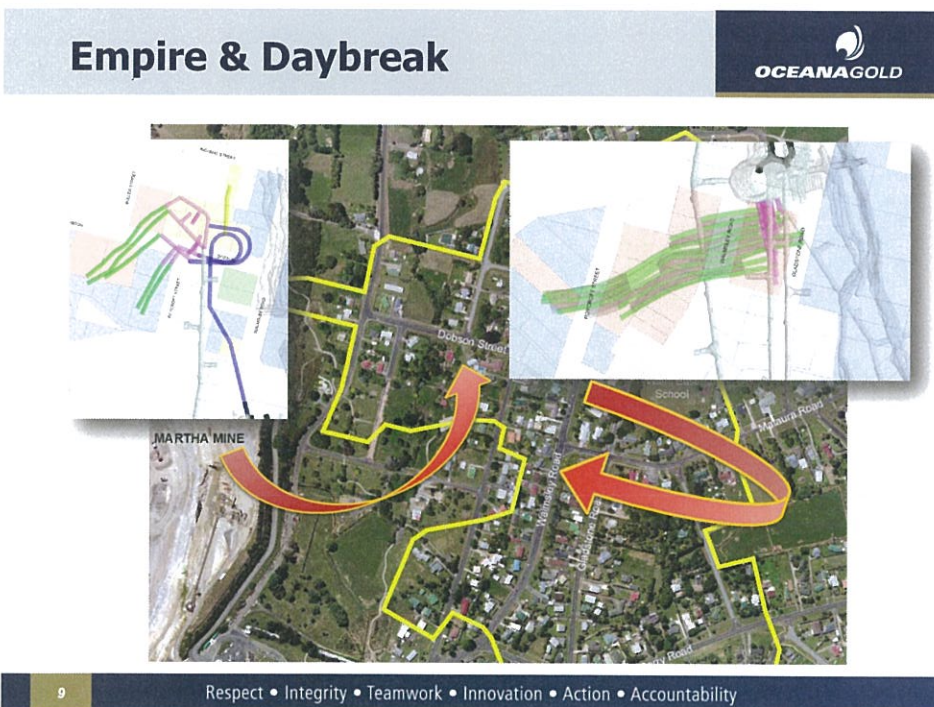
Kit said: We've got four rigs underground and what we're looking at is two things. Is there anything more? As Kerry reminded you at the beginning because we're Oceana Gold and not Newmont anymore and Newmont only saw 18 months of production ahead of it. Oceana Gold's seen more than that so we're looking that way and we're also looking that way.

Kerry said: And I guess going back 3 years or so Newmont was putting holes everywhere as well, trying to find something. So this is just a continuation of that exploration effort to see what else is around and to make sure that those opportunities have been explored.

Kit said: And although it's not too relevant for this meeting we'll also most likely be heading back up to Wharekirauponga (WKP) which is about a 5 minute helicopter ride this way up in the bush. We have had rigs up there and we'll be doing the same thing again. Are there any questions about exploration?

Tim said: Is that in your existing licence area?

Kit said: Yes it is.



Kit said: Empire and Daybreak. These are the areas that we have been seriously looking at and we're pretty much ready to go now. Donna and Jeannine have been out and talked to people. Could I please say that

just because when I did this slide like this, don't look exactly at the point of each one of those arrows and think it is pointing to a specific house. That's just artistic licence.

Kerry said: And I think this arrow should come down a little bit.

Someone said: And the map is wrong.

Kit said: Yes, I am slowly working my way through that. If you look in your Eastender you'll see I did rename it as Kenny Street. As Waihi people will tell you, a lot of street names and street numbers have been re-done.

Tim said: So Kit, you said that Donna and Jeannine had been out and talked to people. Just step us through that again.

Donna said: So we've gone out and the properties where there was a stope underneath we've made an offer to purchase as per the consent conditions and those that are over the development tunnels for Empire and Daybreak have been offered ex gratia payments. All those offers have now been made.

Tim said: Are those are new stopes and drives or are they old ones?

Kerry said: So if you look here, in the consent we always had Correnso running up through here (pointing to the line on the eastern border of Correnso). The reason that these two blocks were put in place is because there was Empire and Daybreak, Grace is gone, they needed more drilling to confirm them and now we've been able to do that from underground. It was provided for under the consent, (that we could do) the same thing (for Empire and Daybreak) as we did over here (in the main Correnso area). For development drives we offer a Condition 47 ex gratia payment. If they're above a stope we offer a Condition 46 ex gratia payment or purchase. So now we've got more detail and understand where those stopes and drives are.

Tim said: So you know for certain where the stopes and drives are going?

Kerry said: Correct and the pictures are the ones that are up there and those are the properties we've been and visited.

Kit said: To be fair neither of those (Empire or Daybreak) would exist by themselves if there was not a Correnso. But we're already down there, so it makes sense that we can go there.

Tim said: Is anybody here affected by this? Are you now in a position where you've got mining underneath you where you weren't before? (Nobody indicated they were in that position.)

Nancy McGuire said: Kerry you said Grace was gone?

Kerry said: Well that was a bit tongue in cheek. We were calling it "Empire Grace", but now it's just being called Empire, just for simplicity. There was an Empire vein and a Grace vein, and as sometimes happens with these things they join up so now it's just called Empire.

Kit said: Before we go onto the next slide, just to pick up on something that Kerry mentioned before, now that we are Oceana Gold there's a lot more reporting and he explained why and that's because we are a much bigger chunk of Oceana Gold. So we're 30% of Oceana Gold where before we were 1% of Newmont. We could have fallen off the face of the earth overnight and it wouldn't have affected the Newmont share price. We could have doubled our production in a week and it wouldn't have affected the Newmont share price. But if we do that as Oceana Gold it changes things. The reason I'm letting you know that is because if you go into things like Gold FM's Facebook page, or you look in the Leader or various places, and all sorts of reports about "Oceana Gold is bullish about ...", and "they've found ...", and "they've found 9.7 metres at 3.2", and all kinds of stuff that you just won't understand, my honest advice to you is to do what I do – ignore it. The reason I'm suggesting you ignore it is because it doesn't mean anything to you and me yet. It might do a couple of years from now, but right now it's just stuff that has to be reported to the Toronto Stock Exchange. The Canadian Stock Exchange has the most stringent rules of any stock exchange in the world when it comes to materiality. In other words, "Is it material to the share price?" We're on the Toronto Stock Exchange because it's a mining stock exchange. So all the time you will see stuff going there, and Gold FM and a few other people will pick that up and dump it onto their Facebook pages. It won't make much sense at all. When it says, "Oceana Gold really excited", that doesn't mean that we're dancing round really excited, I mean Russell's down there yawning even as I talk about it. What it does mean is our people who go out and find the money are really excited and they don't live there. They're excited because they want people to invest.

For example, you must have heard the term "Quattro". You haven't? I'm pleased if you haven't because we had a big deal about that as in, "Oh we're drilling into Quattro" and then I get phone calls from people,

"Where's Quattro and are you buying my house? Is my house above Quattro?" Quattro is nothing. It's just a drill target and we thought we'd give it a name. And you know where the name came from? (The last one was called) Trio, (this one is called) Quattro. Miners aren't particularly imaginative. So they're drilling into this thing called Quattro, we haven't found anything yet. If we do, gosh you'll know about it because we'll be coming to talk to you about it. So there'll be a whole lot of stuff (in the media) that you have to work through or just do what I do and ignore it.

Empire



10

Respect • Integrity • Teamwork • Innovation • Action • Accountability

Anyway, so here's Empire and some streets – ignore the name on that street there – but apart from that one there the rest are right. Kerry what do the different colours mean?

Donna said: The pink are stope drives, blue is a development drive which we are putting in to access, and the green are the stope panels.

Jeannine Wiki said: And the yellow one is a drill drive.

Kerry said: So you're right. This is the decline, this spiral, it's just off the screen here. You can just see the light grey and that was the original drill drive that was put out right at the very, very start of Correnso. That was the first thing that was put in to drill the holes to make sure the gold was where everyone said it was.

Donna said: All that light grey to the right is existing workings.

Kerry said: Oh yes that's Correnso.

Nancy said: Are these maps available to the public?

Tim said: Nancy you were saying, "Are these maps available?"

Kit said: They will be now but before, when we were talking to those people whose houses we were hoping to go under, we didn't want to just hand the maps out.

Kerry said: It's just like we do with Correnso. We give those people the courtesy of going and talking to them first before it's out for everyone to see.

Nancy said: So how do we get a copy? Or will you hand them out with the minutes?

Kit said: There's no reason, and I'm looking around at the team, why we couldn't put those in the minutes is there? Because it's on the slide. But what I will do is I'll provide a bigger copy to Tim so that it isn't just the small version on the slide.

Donna said: It just may be better to leave sending the maps out until the next Eastender because there are still a few tenants that we are talking to.

Kit said: Oh so we're a little bit slower? The next Eastender?

Tim said: You okay with that Nancy?

Nancy said: Yes.

[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]

Kit said: So that's Empire.

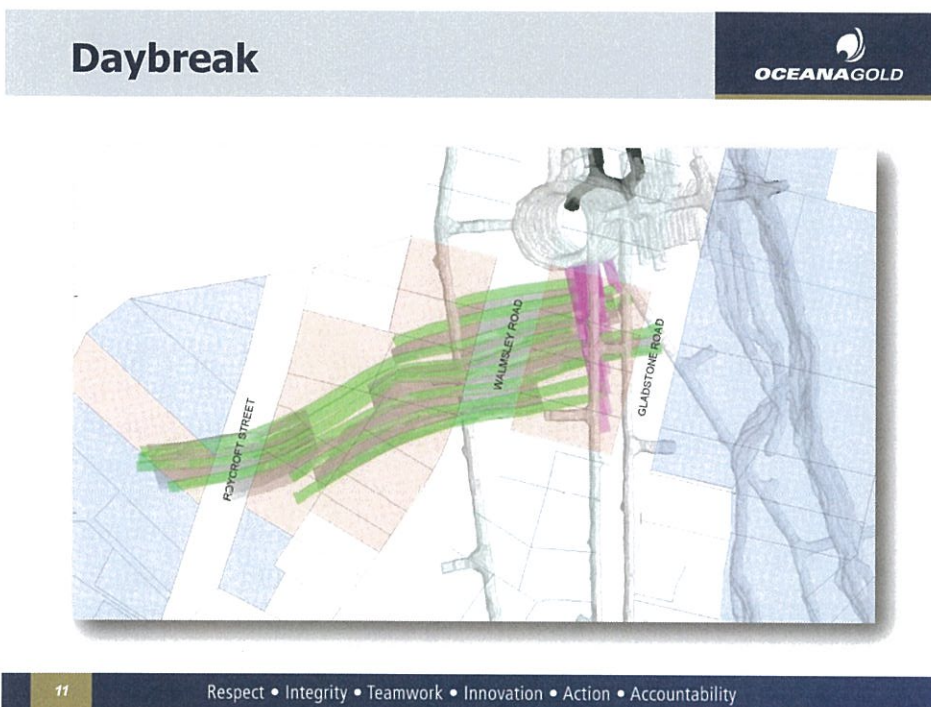
Tim asked: Does this slide show what you are planning to do or is it what you've done?

Kit said: Planning to do. Because we can't do that until we've done the condition 46 and 47 stuff and either offered the ex gratia or offered the purchase.

Eric Rhodes said: Are you talking about putting out a list of the houses that you've bought?

Kerry said: No, it is just the map of where we are mining that we are talking about. We wouldn't publish a list, there's privacy issues around that.

Tim said: Great, thank you Eric.



Kit said: Daybreak – there's the existing spiral so you know where you are when you see that map on the back of the Eastender and it's got that line going through, so it's Correnso north and Correnso south. Timeframe – Donna?

Donna said: Starting in 2 to 3 months.

Kerry said: And it will happen at the same time as the other stuff so it's not like we stop Correnso and go and do this. They all happen at the same time.

Kerry said: I'd say 3. Before the stopes because we have to get through all that offer process and that timeframe is set down in the conditions.

Nancy said: Kit you mentioned earlier about Correnso stopping in 18 months.

Kit said: If we had been Newmont yes.

Kerry said: And that was because they had a look at the gold price. Remember Correnso was much bigger and the conditions allow us to go much longer, much deeper, lengthwise as well. Newmont had made the decision to mine this (showing the line on the map) and, with the gold price improving and doing the further drilling, we're able to slowly grow that under what was consented. It's still less than the total that was originally consented but it's more than what Newmont was looking at doing and that's just because we know more about it because we do more drilling within those spaces.

Kit said: And to be fair the gold price is rallying again. It's done remarkably well in the last couple of months so things that 3 months ago may not have looked too attractive, now suddenly we're looking at.

Nancy said: So it's still done within the 12 year consent?

Kerry said: Absolutely and if it was ever to go longer you'd have to apply for a new consent or you would have to go to basically what they call a renewal of consent which is effectively the same process as a new consent. So all of this work is under those consents and is provided for and was anticipated at the time that they were designed.

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

12

Respect • Integrity • Teamwork • Innovation • Action • Accountability

Kit said: For those of you that get AEP cheques you should have got them by now. So remember that you get a letter in the mail saying that you've got a cheque coming and then Donna and Jeannine actually deliver most of them unless you've got a really big dog in which case they don't. So that's been done. AEP will operate for Martha so if and when we start Martha up again then the AEP process will operate just the same for Martha.

Kerry said: It's more for the development ramp we are putting down. It's not a consent condition that we're required to do but we've done it in the past and we'll continue that so for the blasts that are currently happening for that ramp we had the photo of earlier, we will apply the AEP process to those properties that are affected by those blasts and that vibration.

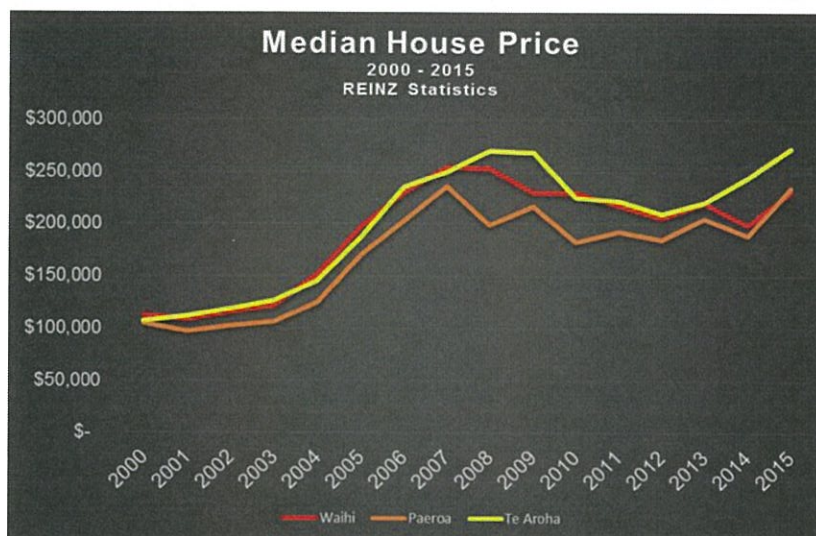
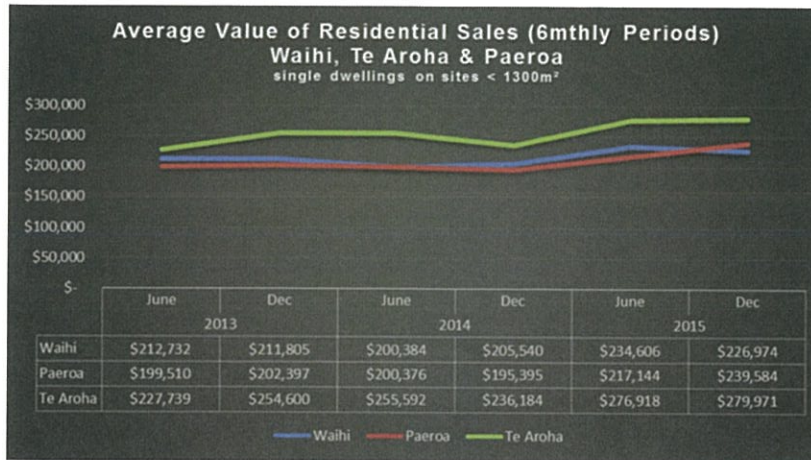
Tim said: Kerry is there a new geographical boundary that that relates to?

Kerry said: No, that is the geographical boundary which is set as far as the vibration is calculated to travel through the monitoring network that was always there and the subject of different consents to this one. But we use the same payment schedule etc because that's what this one was based on.

Eric said: Is there likelihood that the boundaries could move on the Martha mine?

Kit said: On the actual pit itself? For that to happen Eric it would have to go through the entire consent process again.

Kerry said: It'd be a full new process.



Kit said: Top up is the system that was implemented to ensure that the market remains comparatively stable after the initial announcement of Correnso. So there's lots of research around the world that says if you announce something big, whether it's a mine, an airport or even just a piece of motorway, the houses immediately adjacent to that drop in value for a while and then after a while they come up again. The top up system was designed to make sure that people who own properties immediately above Correnso, or adjacent, were given the option and the opportunity to have us top up. So hypothetically if your house was worth \$200,000 and you were offered \$170,000 for it then you'd come to us and say, "Will you top this up?" And that's a hypothetical, I'm not saying everything was topped up by \$30,000. It's been running since 2012, pre-Correnso, and as part of the consent conditions we were required to have it run for 2.5 years. That 2.5 years is up on 17 March. It's not a hard-hearted decision because the 2.5 year is over. We made that decision because looking at all the data that we have received about the property market, we're back to where we should be. This is an exaggeration and a simplification, but there are no houses for sale in Waihi so we know that the system has worked. So if anybody wants to be part of that system the application has to be received by 17 March. Kerry will explain IRP.

Kerry said: I briefly explained what the IRP was before. In the latest round there were a total, I think, of 14 applicants, five of which were chosen by the independent group and they're in various stages of working through the sale process. They were identified by the independent panel, recommended back to the company through the Waihi Community Forum and then those five have been approached and gone through the valuation and the offer to purchase process and they are in various stages at the moment of going

through that. That's probably all I can say, that process is quite confidential as far as the people and the reasons why, but that's the high level overview of where that's at.

Tim said: That group, the Independent Review Panel, were working on criteria weren't they?

Kerry said: There's criteria and objectives that are set out by the Waihi Community Forum that they have to look at when making their decisions.

Tim said: So that has all been established and people know about those?

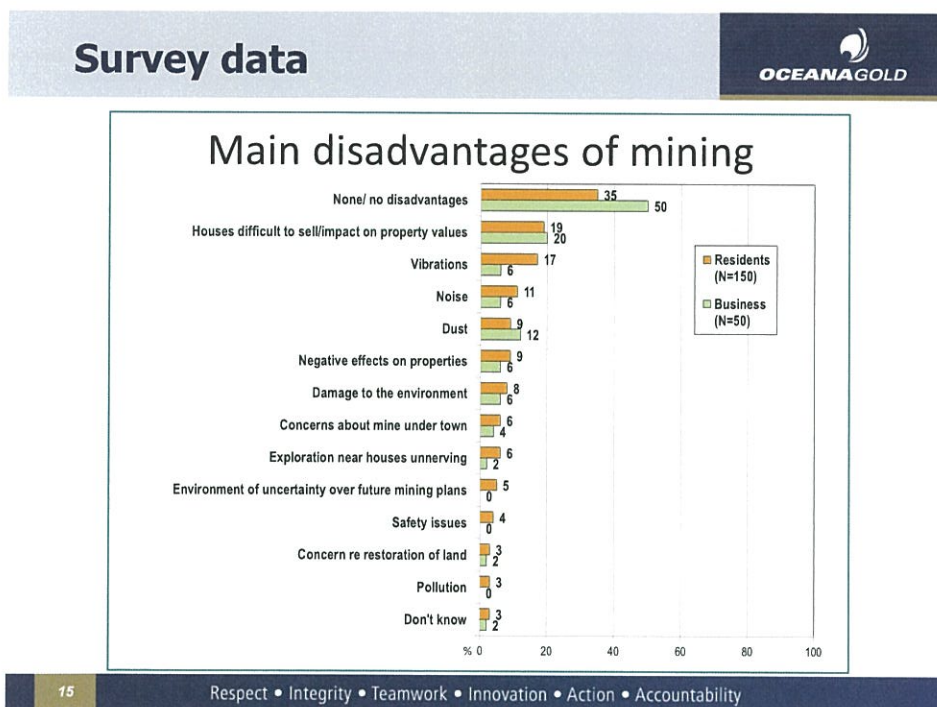
Kerry said: Yes it was all publicised as part of the criteria for applying.

Nancy said: If one of them chooses not to go ahead do they choose another one?

Kerry said: No that's up to the company to have a look at and where we got to with the decisions that were made. The rankings, there was a reasonably large gap between the five we had chosen and others on that list. So that would be a decision for the company if people weren't going to go ahead with one of those five.

Social Impact Management Plan

Kit said: Remember the Social Impact Assessment (SIA) and the Social Impact Monitoring Plan (SIMP). The SIMP is a huge piece of research that we have to do as part of the consent conditions and we finished that at the very end of the year. It was validated and has been sent to Hauraki District Council. They have it at the present time and when they are happy it will be released to the public.

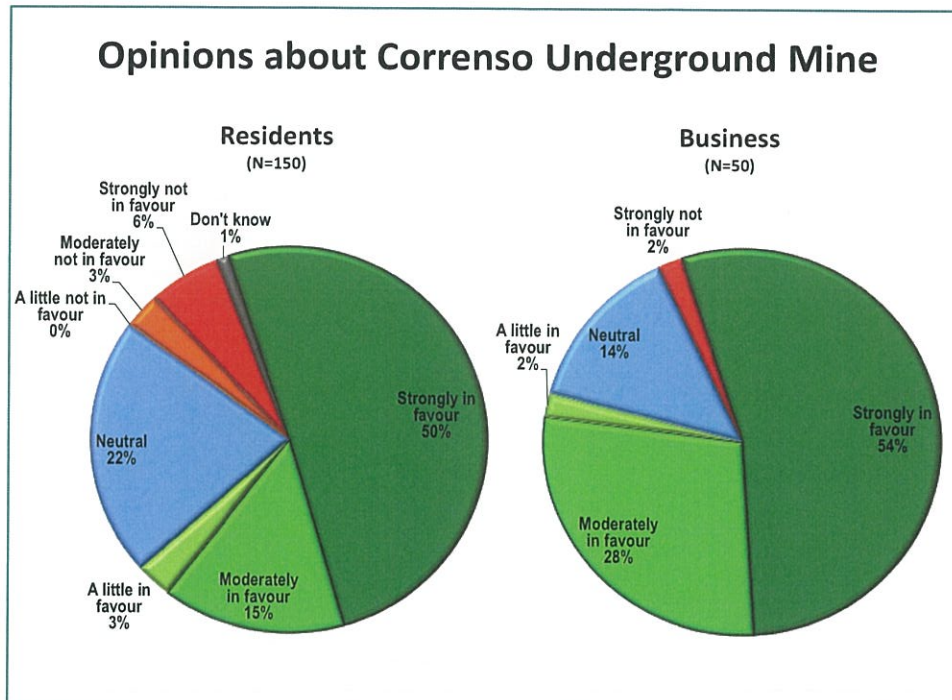


These slides (above and below) are two examples of the sort of stuff that we're finding out. This (slide above) is the most negative one I could find, The orange is residents and the khaki colour here is businesses. These were the main disadvantages of the mining industry as people saw them last year. 150 residents participated in that survey and 50 businesses. This is percentages down the bottom, so that doesn't mean 50 out of 150, it means 50%, and it's in decreasing order from "houses difficult to sell", which I think may have changed now, through "vibration" down to "restoration of land", "pollution" and "don't know". I popped that in there to show you that's the sort of data that we will be measuring along with Hauraki District Council.

Tim said: What was the date of the survey Kit?

Gael Hurley said: It would have been October.

Kit said: The survey was done by an independent research company, it's then been validated by yet another company and then it's gone to council and now it'll hopefully be back to all of us.



Kit said: Here's another example. There's perceptions about Correnso, so business "strongly in favour", residents "strongly in favour". I'm always interested by the "don't knows". So three people I guess didn't know what they thought about Correnso. And there you've got the neutrals, "a little in favour". And there are heaps of those (data sets), and I've just picked two at random. There's heaps and heaps of them and you'll be able to look through all those.

Graeme said: This thing's been going on for so long, can you remind me what the actual aim of it is?

Kerry said: The SIMP goes on forever.

Graeme said: Yeah I understand that.

Kerry said: So in the simplest form possible it's an annual check on what effect the mine is having on the social goings-on in Waihi. So there are areas that were determined and they look at those areas and they say, "Well how are things tracking in that area?" And that's reported on and if there's a significant issue then you have to have a look at what may be done around it. Gael is the one that can explain this best because she spends a lot of her time in this space. But that's at a very simplified level as to what this thing is.

Tim said: And in the context of the process of this meeting you ended up having to determine your areas of concern and then develop your ...

Kerry said: Indicators for those that we then report on annually to the regulatory authority. Then you've got to go back through the whole process every year and look again at the indicators.

Tim said: I was just thinking about the fact that we've been talking about this for over a year.

Kerry said: We'll continue to talk about it forever under this condition of consent. Each year we do a stocktake of where it was compared to last year so you can keep an eye on it, which is actually quite useful. It allows you to track, through the life of the mine, how things are.

Graeme said: Where's your benchmark?

Gael said: We got the baseline data last year, 2014. 2015 is the first time the indicators are being reported on.

Kit said: From now we will be able to identify trends as we move through.

Graeme said: The baseline should have been done before production started.

Gael said: It was.

Graeme said: But it wasn't released?

Kerry said: It was. We need to check this but I am pretty sure it is on the council website.

Kerry said: The beauty of it is, it doesn't just look at negatives, it looks at positives as well.

Website


Kit said: While we speak of websites, our Waihi Gold website is leaking like a sieve and creakily working its way through to the end of the week. When we stopped being Newmont we had all sorts of trouble and we were getting a new website made which is going to be up and running next week or the week after. Phil, who tries to do the teaching here in the classroom, spends most of his life trying to keep the website up and running at the present time. Most of my day is spent replying to emails, "When's the website going to be up?". I cannot take this any more. If it turns out, for example, as Nancy and Mike found today, that the minutes for the last meeting have dropped off the other end of something, I don't know how that's happened because we put them up, and I know we put them up because I saw them go up and yet they've dropped off. So our Waihi Gold website right now is not very reliable and won't be for about the next week. But next week we'll have the swish, fancy new website which will be better, faster and stronger than before.

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)



20

Respect • Integrity • Teamwork • Innovation • Action • Accountability

Kerry said: So this is just the vibration results. So there were 248 events in that 6 month period. Our average for the development is sitting at 1.5, remember the consent limit is 2. The 95th percentile is sitting at 3.05 and that can be up to 5mm/second. So the green dots are the locations of all the blasts just to give you a bit of an idea. Over that 6 month period we've blasted throughout that entire area. The production blasts, the larger ones, average 2.05 and the consent limit allows us to go to 3 and the 95th percentile is 3.69 and we can go up to 5. So that's really just a bit of an overview. Obviously the monitors are still there and making sure with the web change that all the stuff is able to flow through.

Erich said: Secondary South West doesn't register anything, the next one, Secondary South East registers some. The most registered is Main South and Main Central.

Kerry said: That's because that's right in the middle of all the blasting.

Erich said: When you blast in Main South why do South East and South West not register?

Kerry said: And that's why we have to have a big array of network because blast travels differently through the ground depending on its composition and sometimes it'll travel easier one way than the other. If there are cracks through the ground or the ore bodies themselves, it transmits differently. If the area has got wetter ground it transmits it differently. So these were agreed with the council by the external experts to make sure that there was good cover to pick up the vibrations and that's what you would expect with these types of devices. They detect it and, yes you're right, this area over here receives very, very little.

Erich said: And Secondary West also, there is nothing.

Kerry said: These ones are put in here (pointing on the slide to the western side) and the reason that the array went this way is when we start doing these extensions (Empire and Daybreak) that's what these are here to help detect. When they set this up for the entire Correnso project they put them out this way so that they've got monitors, like this one here and this one here. So this was set up to allow for those extensions. We had to put them in at the start. We could have tried to argue and say, "There's no point" but we just agreed and put them in, so the network was set up.

Tim said: So Erich have you spent a bit of time looking at the results?

Erich said: Oh yeah. Do you have to check the monitors on a regular basis?

Kerry said: Yes we do. We go and check them and we check the power supply, we check the ground conditions around them.

Erich said: And you have to calibrate them?

Kerry said: They actually get taken to Australia once annually and are calibrated in Australia at the lab by the people who actually develop and design this gear. When they get taken to Australia they bring replacements over to put in their place while they do that.

Tim said: So Erich were you worried that maybe they weren't reading or operating?

Erich said: Yeah.

Kerry said: You don't see it but we see results off these when things are happening in that area localised because we get the individual ones that aren't related to mining so we can see people mowing lawns. Russell had someone the other day using one as a saw horse, so these things do trigger.

Alan Purvis said: We're building a retaining wall around our place and a very convenient stand ...

Russell Squire said: We wondered what was happening.

Kit said: It was actually worse than that because at the same time that was being used as a saw horse, there was road works next to another one, someone was trimming trees next to another one and someone was mowing a lawn next to another one. Russell's eyes just popped out on stalks and he rushed out there and took photos of them all and the one at your place was actually featured in our internal newsletter saying, "Look". So they do work.

Alan said: That was our builder.

Kerry said: So the array is set up to catch the whole Correnso including those extensions and then some of them trigger very rarely.

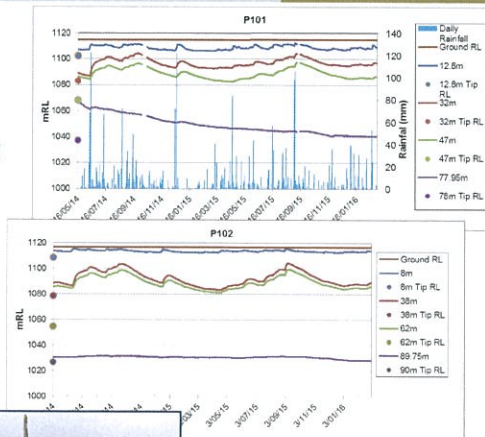
Russell said: Might I also add that we have a file watch programme where all the monitors ring in three times a day. If they don't ring in there's a computer programme that flags us to say this one didn't ring in last time so the maximum it's going to be out is 6 hours.

Kerry said: That's when you see Russell go out and kick the bunker or jump up and down and then comes back into the office and makes sure that it's calling back in.

Tim said: Cool, thank you Kerry.

Dewatering

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



21

Respect • Integrity • Teamwork • Innovation • Action • Accountability

Kerry said: So this is the other one, the piezometer stuff. We have a huge number of piezometers in place just to keep an eye on the water. This one has been dropping, it looks like it's actually plateauing now which is good for us. We understand what's happening and that's because we're actually mining down underneath here. So there is de-watering but these upper ones are staying and just following the normal trend of ground water levels.

Tim said: Where's that one based Kerry?

Kerry said: That one there is this one here, that's Gladstone Road and this one here is P102 on Barry Road. We put this one in – with those new extensions we had to go back through the process with the council just to agree – and we've put another one in here. This network, this array, is sufficient to pick up anything happening in this area but we needed an extra one in here with that extension coming out through here. So that's P100, so we're 100, 101 and 102 and we can report the levels going forward. But that's really just a check for us to make sure we don't have another Gladstone Road incident which happened in 2012 around Christmas time where there was de-watering of these upper aquifers and it caused some issues with houses. So what we're doing is we're making sure that these ones aren't following the same trend. What you see here, this is just natural fluctuation between winter and summer. These blue lines are rainfall so we've had a huge rainfall event here and as you would expect these ones have all peaked up and then as you come into summer they all drop off again and then we'll get some rain and they'll start climbing again so it's just normal ground conditions up and down.

Tim said: So the purple one is P101 is it?

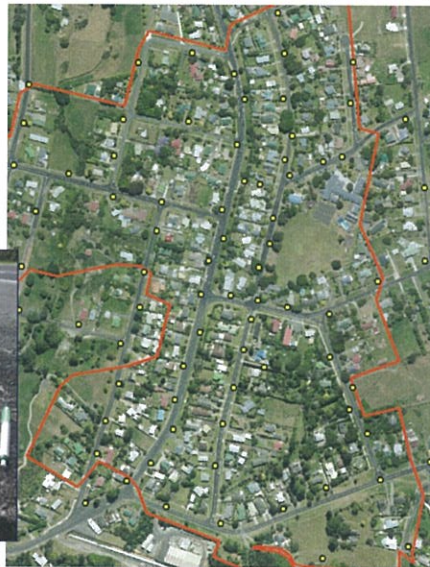
Kerry said: These are all P101. If you can imagine a vertical line going down. The blue line up here is 12.8 metres, the red line is 32 metres, green is 47 metres depth and this purple one's down at 77.

Tim said: And where's the andesite layer – is that below that or above?

Kerry said: That's up here, you've got the sealing layer in here which keeps them separate.

Settlement

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



22

Respect • Integrity • Teamwork • Innovation • Action • Accountability

Kerry said: We did the fourth settlement survey in November and there were no issues that were picked up. Each of those yellow dots is a settlement marker in the road. Qualified surveyors go out and survey every single one of these points, plot it and make sure that they're not going up and down at a rate which is not expected. You obviously get some movement because of wet and dry in the soil but we report this back to the council as well. So that was done in November.

David said: Has there been no movement on that Slevin Street one that went down?

Kerry said: Council is keeping an eye on that and it doesn't look visually ... I haven't seen anything and they haven't got in touch with us and told us there's anything there. What you're referring to there is, just in here, there was a depression and that's possibly something to do with old mining, and council's just been monitoring that as part of their routine monitoring programme.

Ken Collis said: They haven't been mowing it.

Kerry said: That's because they will not allow a vehicle to go in there in case it does move.

Tim said: Is that something that maybe council could be asked about in terms of whether there is any change in the readings?

David said: It's just an untidy mess and if there's no movement, or hasn't been any movement, then they should tidy it up a bit.

Kerry said: Again that's something for council to follow up.

Tim said: I'll note that as something to ask them.

After the meeting Mark Buttimore emailed the following response:

"The area in Slevin Park has been fenced as a precautionary safety measure as the land within the fenced area is showing a greater level of ground settlement than the surrounding area. At this time the processes causing this settlement are unknown. Council has undertaken CCTV inspection of the sewer line in Newman Street. While there is an area of settlement shown in the footage, the sewer line remains intact.

The Council is regularly monitoring the area using ground settlement markers and visual inspections of cracks/deformities and the monitoring will continue."

Kerry said: So coming back to this, the survey was done November 2015 and nothing of any concern was detected there. We re-run those every 6 months. We do the full survey and then that's reported back to the council in our settlement de-watering reports.

Questions and General Discussion

Kit said: So that was a quick rush-through wasn't it. Is there anything we haven't covered that you would like us to talk about? Is there anything from the previous meeting or anything from the last 6 months that we need to talk about while we're here?

Graeme said: If I could just mention air quality. I've got to say that up round our area the amount of dust has decreased quite markedly since the crusher has stopped operating and I wonder if you still monitor? When we've mentioned it before you said that the air quality in Waihi compares with Katikati (as an example). Is it still being monitored and is there any noticeable improvement?

Russell said: Yes the monitoring is going, they run 24 hours/all the time and there is no significant change in the air quality strangely enough.

Graeme said: In terms of particle settlement?

Russell said: Yes.

Tim said: What are you noticing Graeme, first hand?

Graeme said: Well just there's a lot less dust.

Tim said: Settling on things?

Graeme said: Yeah and when it was settling you could see occasionally it was black and sometimes it's glittery.

Someone said: I would say we have had less wind. It has been a slightly calmer summer and certainly last winter was probably a warmer winter as well. One of the big things for me is always when I see the colour of the air filters in winter, when they go jet black and that is nothing to do with mining, that's coal fires.

Kit said: I should say too if you're getting glittery dust we aren't doing our job.

Graeme said: I thought it might be just us but other people have mentioned it without being prompted, so I just thought perhaps it would be picked up with your monitoring in which case you could say we're cleaner than Katikati.

Tim said: Where are you at with the Correnso mine? Is there a percentage done?

Kerry said: Well it's progressed along and as I say they keep finding extras so that we can add an extra level in here and a level in there but it's going to be well within the consent condition timeframe that Nancy mentioned earlier.

Tim said: So then my question (to residents) is what are you noticing in terms of the blasting vibration, both the development and the extraction? Are you noticing those? Can you still tell a difference between them? Are there lots? Is there a little?

David said: It rumbles at 7 in the morning and 7 at night and you get vibration in the middle of the day.

Tim said: So David you get all three?

David said: You don't feel all three. You can hear them though.

Ken said: No you don't feel all three, you hear the rumble and there can be a vibration and we are outside the zone.

Graeme said: I find the term vibration a bit of a misnomer at times. The thing that really interests me is, you talk about the blast monitors. Some of those blasts I have been inside the house and the house really rocks and rolls and you get a very low recording on the vibration monitor just across the road from us. I just find it ... perhaps my expectation of sitting in meetings it's very hard to understand what the vibrations or movements are going to be like when you are blasting until you've experienced it. I find some of them are kind of (I think) "Surely they're going to get a decent recording on that" and they don't. It's usually the ones in the afternoon.

Kit said: It's interesting you say that because I've also had people talking and someone said, "I was in bare feet on the vinyl floor and I really felt that" and yet the reading on the monitor was nothing untoward. The next day the same person was outside in the garden and didn't feel it and yet the vibration recorded on the

monitor was pretty much the same. So we are learning that where you are, what you are doing, what sort of house you've got – there are a whole lot of variants.

Eric said: We've had the same at our place. We live just ... we can look out our window and see Martha mine from our place. We have the same thing and it depends where you are in the house, whether you feel it. My wife was in the kitchen one day and I was outside in the garage. She felt it quite a lot and I didn't. But I worked in a quarry on the North Shore in Auckland and they have the same thing. When we blasted the rock the house here would feel it but the house there wouldn't. I think it all depends on the seam in the earth and it travels up a different vein. We feel and hear more of the Correnso blast now than what we ever felt from Martha.

Tim said: And yet you're closer to Martha?

Eric said: Yes.

Tim said: Interesting. Kerry you said you have the results of the vibration monitoring, when you talked about the averages and maximums etc. Has there been anything that has spiked over your legal maximums?

Kerry said: The legal maximum is a 95 percentile because of the way blasting happens. So there have been a couple of instances where it's gone above 5mm/s but that's what the 95 percentile is there for.

Tim said: So less than 5%?

Kerry said: Correct. Well less. We investigate those to try and work out what it is and why it has happened. What we'll do, and we have been doing this quite a bit lately, is decking the holes. So decking is where instead of having one column of explosive we actually put a little bit in, we then put some stemming and separate it from that bit and then we put this piece in and another stemming, some rock ... and separate it so we actually have three individual blasts instead of one big blast in that hole. So those are some of the things that we use to try to control that vibration level.

Tim said: So then my next question is as a general feel from everyone, you know a year ago there was some concern that once the mining got into production phase that it was going to be much worse. Is that the way that it's felt? Has it got worse? Do you notice it differently or is it just life as usual now?

Eric said: Just life as usual.

Others said: Yes.

Ken said: The house hasn't fallen down yet.

Tim said: Ken that is a really positive way of looking at it - long may that continue.

Eric said: I was talking to this old chap the other day and he's living in an old house down by Gilmour Lake somewhere and he said to me that they set off the blast in Correnso and it actually shook the house off the foundation and I was talking to Donna and she said she has no record of that.

Tim said: So it happened or didn't happen?

Eric said: No.

Kerry said: No, it didn't happen. If that had happened I'm sure everyone in the whole of New Zealand would have heard about it. And that's some of the purpose of these meetings is to address some of that misinformation or to be able to ask the questions and actually understand. That's no help to anyone really. We'd prefer people to have a discussion and work through that if people have a perception that those things are happening because we'd work through that with them.

Tim said: So you'd be happy to get a call and say, "Did the house fall off its foundations?"

Kerry said: Absolutely. We'd much rather have this direct discussion than rely on something that people might have heard.

Graeme said: It wouldn't go down too well if it had been blasted off its foundations.

Kerry said: It'd be interesting how much explosive you'd need to do that.

Tim said: Are there other things that people would like to ask about?

Nancy said: Just blast hub, it hasn't been updated since 13 February. It seems like a longer period ...?

Kerry said: So that's the AEP portion, not the portion that you see on the website when you hover over it. You're talking about the AEP portion?

Nancy said: Yes.

Russell said: We're going through a few glitches with the computer programme sorry and talking to the council about one or two things.

Kit said: That is a remarkably labour intensive process.

Kerry said: So we know about it and we're working on that issue.

Helga said: I read in the Waihi Leader that Oceana Gold is looking for staff. Do you employ more people or were people laid off and you are replacing people?

Kerry said: We've probably had about five or so people leave as a part of that whole transition but we're employing more than that. So on a regular basis, there are ads that we see around work. Some of them may be internal but I know there are a number of external positions as well.

Helga said: In the Waihi Leader is advertised that you look for people here?

Kit said: Yes.

Helga said: So it is good for people looking for jobs here in Waihi.

Eric said: If they can past the drug test (humour).

Tim said: Can I ask Kit and Kerry about the coasters? You had the Tsunado and then there was the coaster that was the replacement for the Tsunado. Where are you at in terms of roll-out?

Kit said: I'm going to default to Jeannine because Jeannine's been looking after the coasters and just yesterday or the day before we got one from a playcentre which was a little bit worse for wear.

Jeannine said: One of the children had broken it so we replaced it. They're out there and as far as I am aware they are working 98% of the time. It is triggered from the portal so music goes through to the coaster first then the blast follows it. Some people have said that sometimes the coaster music plays as the blast is coming through so I'm not sure why that is so there is a little glitch there. Anyone who wants one can just ring up and we will deliver it.

Kerry said: We are getting some returned because it gives more of a fright than the blast, but it's an option that's there for people if they want to try it.

Jeannine said: We're looking at getting a programme to make the volume louder for the people who can't hear it.

Tim said: So how many are out, roughly?

Jeannine said: Only about 70 odd, 80.

Tim said: And is there good feedback from people?

Jeannine said: Yes.

Someone said: You can turn them on and off.

[Official recording ended – TCCS backup recording used to complete minutes.]

Tim said: Are there other questions?

Nancy said: With Oceana searching more extensively for gold, will they go back into Favona and Trio or will you have to get new consents to do that?

Kerry said: Those consents are still live. They would need to be working out whether it's viable or not and they're not looking there at the moment. The drill rigs are in Correnso and on the surface so they're not looking there at present.

Tim said: Any other questions? Alright. So how did we do? We wanted some rumours about mining – did we get them?

Ken said: Yes, good. (Nods around the room.)

Tim said: Did we find out about what was happening with Martha? (Yes, and nods around the room.)

Tim said: Did your questions get answered? (Yes.)

Tim said: Is there anything else that should be being covered in these meetings? (No).

Kit said: I've got one other thing that I just need to add. It just deals with the rumour stuff. Just after Christmas I got severely beaten by a lot of people because Oceana Gold didn't put a float in the Christmas parade and this was seen as the end of the world as we know it. It was seen as the mining company's "lack of dedication to the local community". It isn't. Oceana Gold is doing exactly the same as Newmont did. We're still Waihi Gold, we're still giving money away, we're still doing partnerships and things and Phil has already started planning this year's Christmas parade.

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).

Kerry said: If people want to pick the phone up and have a discussion about things we're open to that. If people are waiting 6 months they're waiting too long.

Tim said: Thank you everybody.

The meeting concluded at 3.55pm.

Attendance Register 2.30pm	
David Carrington	Murray Elliott
Hazel Stewart	Erich Schmidt
Helga Schmidt	Dianne Purvis
Eric Rhodes	Alan Purvis
Graeme Wilkinson	Rob Davey
Liz Davey	Nancy McGuire
Helen Collis	Ken Collis

