

Extractive Industries Policy – 2007

WHEREAS:

Several Newmont projects in developing countries have been undermined by community protests over the years. A pattern of community resistance to the company's operations, especially in Peru, Indonesia, and Ghana, raises concerns about issues such as the company's mining waste disposal practices, the potential for water pollution, development on sacred sites, and community resettlement.

- In November 2005, police shot and killed one farmer and injured three others near Newmont's Akyem mine in Ghana, after a protest calling for additional compensation for crops. In a response by Newmont, the company later acknowledged that it "did not heed early warnings in the villages that the situation could escalate."

- In April 2006, villagers burned Elang exploration camp on Sumbawa Island, Indonesia, temporarily suspending operations. Last year, exploration was also suspended temporarily after residents asked the company to hire more community members and purchase more local supplies, according to The Denver Post.

- In November 2004, the company removed Cerro Quilish from the mine plan and reserves of Minera Yanacocha, in which Newmont holds majority interest, after community protests against exploration activities resulted in a sustained blockade to the mine. Yanacocha asked for its exploration permit to be revoked, primarily due to increased community concerns. According to the firm's 10-K Annual Report 2004, it reclassified 2.0 million ounces of gold from "proven and probable" to "mineralized material not in reserve." Yanacocha's operations manager said in a BBC news article that the company failed to understand the magnitude of the community's concern.

- In August 2006, local residents blocked access to Yanacocha for six days, briefly shutting down the mine over concerns related to job security, water protection, and community investments. The blockade followed a series of clashes between protestors, security guards, and police, during which one farmer was shot to death, according to Inter Press Service.

- On February 17, 2006, The New York Times reported that Newmont agreed to pay \$30 million to Indonesia in a settlement of a civil lawsuit in which the government argued that Newmont had polluted a bay with arsenic and mercury, making villagers sick.

Resolved: That shareholders request that a committee of independent board members be formed to conduct a global review and evaluation of the company's policies and practices relating to existing and potential opposition from local communities and to our company's operations and the steps taken to reduce such opposition; and that the results of that review be included in a report (omitting confidential information and prepared at reasonable cost) that is made available to shareholders prior to the 2008 annual meeting.

Supporting Statement:

Newmont Mining's success depends not only on receiving legal permits and licenses, but also on the acceptance and cooperation of the communities it affects.