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NEWMONT WAIHI GOLD BEGINS CONSULTATION PROCESS ON REDUNDANCIES

Newmont Waihi Gold announced today that it was beginning the process of consulting with staff and contractors about changes in the workforce that are likely to include a small number of redundancies.

Where possible the company will be seeking to offer changes of jobs rather than redundancies, and some staff are in the process of being offered jobs at other Newmont sites globally. It is expected that approximately 20 staff and contractors will be affected by the cuts, though it will not be possible to confirm the full scope of losses and changes until the consultation process has finished on 2 October. In addition to job cuts it is expected that there will be a significant scaling back of Newmont Waihi Gold's exploration programme.

The cuts are part of a wider package of job cuts across all Newmont sites globally. Staff at Newmont's four mines and regional headquarters in Australia have also been notified this week of likely redundancies. Newmont Waihi Gold's General Manager of Operations Glen Grindlay said:

The decision to reduce our workforce is not one that we take lightly and we will be working closely with all staff to help them through this difficult period. But the reality is that over the past 5 years our operational costs such as materials and labour have risen far faster than gold prices and that has had a significant impact on the company – both globally as well as here in Waihi. We need to start reducing our costs now in order to keep the mine viable.

Media contacts:

Sefton Darby
External Affairs Manager
027 622 0016
sefton.darby@newmont.com

www.waihigold.co.nz