

Chaupe Land Case Information Update: September 20, 2016

Background

As outlined in our <u>previous updates</u> regarding the ongoing land dispute between the Chaupe family and Yanacocha, we believe it is important to be truthful and transparent about the facts surrounding this case and recent reported events.

Since our last <u>update</u> in April 2016 regarding the false allegations of a shooting, we have attempted to engage in good-faith dialogue with the Chaupe family and their representatives. Unfortunately, we have not succeeded in establishing dialogue or measures to reduce tensions and are committed to continuing those efforts.

The following information expands on previous updates and supplements information currently available on the Newmont and Yanacocha websites and specifically addresses recent events.

Recent Events

On September 6, 2016 the Chaupes cultivated a small plot (8 x 10 meters) on land clearly owned by Yanacocha – company land that is not part of the property under dispute in the courts. According to Peruvian law, structures or crops planted on private property must be removed by the owner within 15 days using a legal process known as "possessory defense."

On September 18, 2016 Yanacocha conducted a lawful possessory defense to remove the crops from the parcel owned by Yanacocha as required by law to protect their land rights, and replanted the area with native grass. The possessory defense lasted approximately 18 minutes from start to finish and the entire video was released by Yanacocha on September 19. The video illustrates an unarmed private security contingent wearing protective gear being attacked by both Maxima Acuna de Chaupe and Jamie Chaupe while shielding workers replanting the cropped area with native grasses. As evidenced in the video, at no time did any member of the security team or Yanacocha retaliate or attempt to strike the Chaupes.

Immediately following the event, there were numerous and broad statements and media alleging the Chaupes were attacked, beaten and hospitalized during the possessory defense on September 18. These claims are false and misrepresent the facts as evidenced in the video.

As factual information and video footage was released the following day, allegations by the Chaupes continue even though the video clearly demonstrates the restraint of the security detail. At no time did anyone hit or strike the Chaupes during the incident.

At the time of this report, we were notified that the Chaupes have once again illegally occupied two additional parcels of land owned by Yanacocha in the same area where the possessory defense occurred on Sunday, September 18, 2016. To protect its existing property rights on these parcels that are not in dispute, the company will have to conduct another, lawful possessory defense, within 15 days, under the auspices of Peruvian law.

<u>Summary</u>

Our goal is to always to be respectful of our neighbors, while lawfully protecting our property rights and avoiding confrontation.

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We prefer to resolve differences through direct, good-faith dialogue, and remain open and willing to doing so. In the meantime, Yanacocha must rely on legal avenues provided under the judicial process to protect its established property rights. This includes making every effort to reduce tensions and minimize conflict by not disturbing the house the Chaupe family built on Yanacocha land in 2011 until the judicial process is complete. Similarly, while Yanacocha manages entry and access onto its privately held lands, it has committed to ensure the Chaupe family and visitors have safe access to the disputed lands.

It is important to note that Peruvian courts have repeatedly confirmed Yanacocha's ownership of the land in question. In a separate matter, the Cajamarca Criminal Court of Appeals ruled in December 2014 that there was insufficient evidence of "acts of violence" by the Chaupe family at the beginning of their illegal occupation to warrant criminal charges. Yanacocha respected the court's decision and appealed that decision as part of the effort to maintain its property rights.

We will continue to update our stakeholders on new developments.

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