

Following a three-year, public process on the Conga project’s Environmental Impact Assessment (EIA) and extensive reviews by 12 government agencies in Peru, the EIA was approved by the mines and energy ministry in October 2010.

Amidst protests from anti-mining activists in late-2011, Newmont suspended construction on the Conga project. After a review of the EIA by the independent experts commissioned by the government of Peru, the panel confirmed that Conga’s EIA “meets all the technical requirements for its approval” and that it conformed to both Peruvian and international standards.

The company will take a slower development approach – which is intended to foster a more suitable political and social environment – by focusing on the construction of reservoirs for downstream communities.

Construction on the Conga project will only continue if it can be done in a safe, socially and environmentally responsible manner with risk-adjusted returns that justify future investment.

The following overview of the revised development plan includes the following categories:

- Financial and Operating Overview
- Water and Environmental Protection Plan
- Community Development and Local Employment

Financial and Operating Overview

Construction on the Conga project will continue provided it can be done in a safe, socially and environmentally responsible manner with risk-adjusted returns that justify future investment.

Updated financial and operating estimates for the Conga Project include:

Capital and Production Timeframe	
2012-2013 Development Capital	\$440 million
2012-2013 Capex Programs	<ul style="list-style-type: none"> • Water supply and site quality improvements • Camp completion and maintenance • Engineering wrap-up • Long lead equipment deliveries
Expected Production	Construction on the project will only continue if it can be done in a safe, socially and environmentally responsible manner with risk-adjusted returns that justify future investment.

Water and Environmental Protection Plan

Conga's environmental management plan includes the protection of water quality and quantity during construction and operation. Engineering designs and management plans for Conga's new reservoirs were developed using hydrological and other scientific studies spanning 13 years.

Under the revised plan, Newmont is taking a slower development approach to advancing the project with a focus on the construction of reservoirs for downstream communities. Once completed, the reservoirs will increase the water storage capacity proposed in Conga's original development plan, significantly increase the current capacity of the lakes in question and provide year-round availability of water to downstream users, something they don't currently have as a result of the dry season.

Recommendations from the independent panel's report that Newmont plans to progressively implement are included in the table to the right.

Implementation of these recommendations, pursuit of the community and social investment programs and construction on the Conga project will only continue if these activities can be done in a safe, socially and environmentally responsible manner with risk-adjusted returns that justify future investment.

Recommendations of the Independent Panel's Report:

Lake Status	Evaluate the possibility of relocating the Perol pit waste dump to try to avoid impacting Azul and Chica lakes. If it is not technically and economically feasible to do so, implement an appropriate hydrological and environmental compensation plan.
Water Management	Consider encapsulating the rejects of the acid water treatment plant in a secure deposit. Improve water availability through regulation of reservoirs. Consider the possibility of using acid water treatment and refinement techniques through passive methods (wetlands with reeds planting). Study the suitability to expand the reservoirs' capacity to optimize the management of the water emanating from the project area.
Remediation	Optimize the preservation conditions of organic soils coming from waste on the storage deposits planned. Adequately preserve humic materials from the dismantling of the Perol bog for later use.

Community Development and Local Employment

In 2008, the Conga Project Team, in conjunction with Asociacion Los Andes de Cajamarca and the neighboring communities, began exploring opportunities for sustainable local development in the region. The following year, work began around forming Community Development Committees, which involved 32 communities in the Conga Project's direct and indirect area of influence identifying and prioritizing their needs. Their analysis led to creation of the "2015 Community Vision," which set targets for improving:

- Community-wide Empowerment
- Health & Education
- Productivity & Increased Income of Farmers
- Critical Infrastructure

In addition to the commitments in the original development plan, Newmont plans to designate additional funds for the following social and community development projects and programs for citizens in the Conga project's area of influence. These investments are contingent upon project construction continuing to move forward.

Community and Social Investment Programs	
Health and Education	Build and supply 60 schools for the benefit 6,000 children and build 24 medical posts.
Principle Income Alternative	Implement a forestation plan for 10,000 hectares.
Infrastructure	Build 100 water systems to deliver potable water to 50,000 inhabitants and build 120 multi-family reservoirs.
Jobs	
Water Development Program	The construction of the reservoirs and water management systems will create a number of job opportunities, the majority of which will be filled by members of the local community.
Construction	During the Construction stage, the project will create 10,000 direct and indirect jobs.
Operations	An estimated 1,600 employees and contractors would be required once mine operations commence. Hiring will give priority to qualified local personnel, and this policy will be applied at all stages of the project.