



Chaupe Land Case Information Update: April 29, 2015

Background

Newmont is committed to keeping our stakeholders informed about the Chaupe land case in Peru, and we always strive to be respectful of neighboring communities.

The ongoing Chaupe family land dispute with Yanacocha is a concern for us, and we believe it is important to be truthful and transparent about the facts surrounding this issue. The following update has been prepared to expand on information currently available on the [Newmont](#) and [Yanacocha](#) websites.

Sales and transfers of community owned lands in rural areas of the Cajamarca region in Peru can only occur through a community approval process. Following an established and customary legal process, the Sorochuco Community Assembly agreed to sell several land parcels to Yanacocha in the mid-1990s and documents were signed and witnessed by designated community representatives. Deed transfer papers were officially signed and registered, and payment was accepted by the community for the land parcels in 1996 and 1997.

In 2011, 14 years after the sale of the parcels, members of the Chaupe family began to illegally occupy the land parcels previously sold to Yanacocha in 1996 and 1997. After numerous efforts to resolve the issue through direct engagement and dialogue, the matter was referred to the Peruvian judicial system. Courts have since confirmed that Yanacocha is the rightful land owner – in 2012 and again in 2014.

Recent Events

- On Saturday, April 18, a new, small structure was constructed on company-owned land, approximately 200 meters from the existing Chaupe residence built on Yanacocha property in 2011. The new structure was located approximately 5 meters from a foundation constructed in January 2015 and removed by Yanacocha on February 3, 2015 (previously reported by Newmont in February 2015). The new structure (2 x 3 meters in size and 2 meters high) was built on land documented in public records as owned by Yanacocha and not part of the parcel being disputed by the Chaupe family.
- Yanacocha notified the public prosecutor's office on April 21, 2015 and the Peruvian National Police on April 22, 2015 to document and record the presence of the newly constructed, illegal structure. The Peruvian National Police informed Yanacocha that removal of the structure must occur within 15 days to preserve the company's legal possession of the property; the PNP would not participate in removal of the structure as it was within the company's legal rights to remove the new construction.
- Yanacocha had several conversations (via cell phone) with Chaupe family members to try to engage in a more formal and structured dialogue; however, up to this point we have not agreed on a formal dialogue process and will continue to seek good-faith engagement with the family. During the phone calls, Yanacocha also inquired as to why the structure was erected and raised the fact that it was located on undisputed Yanacocha property and would be removed under the protection of Peruvian law.
- Yanacocha elected to remove the small structure on Wednesday, April 29, 2015 at approximately 4 pm to preserve the company's legal possession of the land within the 15-day legal window. The small structure was removed by Yanacocha personal in the presence of approximately 30 unarmed private security personnel. The PNP were not present or involved in the removal of the illegally constructed structure.
- We salvaged some construction materials (corrugated roofing) and small domestic animals (guinea pigs), which were relocated to a Yanacocha controlled facility for safekeeping until they can be transferred to legal authorities.

- The entire process took approximately 10 minutes and there were no incidents of violence, confrontation or aggression. There were no members of the Chaupe family or other community members present or in the immediate vicinity of the structure while it was being removed.

While our goal is always to be respectful of our neighboring communities and community members, Yanacocha cannot permit illegal occupation of company land – it is not fair to the rest of the community who agreed to sell the land in 1996 and 1997.

We prefer to resolve our differences through direct engagement and dialogue, and remain open and willing to doing so. In the meantime, we will continue to rely on the judicial process, and make 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.

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 in 2011 (14 years after the sale of the parcels to the company) to warrant criminal charges. We respect this court’s decision, but have appealed the judgment as part of our overall effort to preserve the company’s property rights.

We are committed to demonstrating our respect for human rights and our host communities, and will continue to seek measures to minimize conflict while protecting our rights. At the same time, we will take respectful, lawful and prudent measures to manage our lands safely, and prevent future unauthorized occupation. We also remain open to engaging constructively and in good faith to address the land dispute with the Chaupe family.

We will continue to update our stakeholders on new developments. In the meantime, please feel free to contact me with any comments or questions.

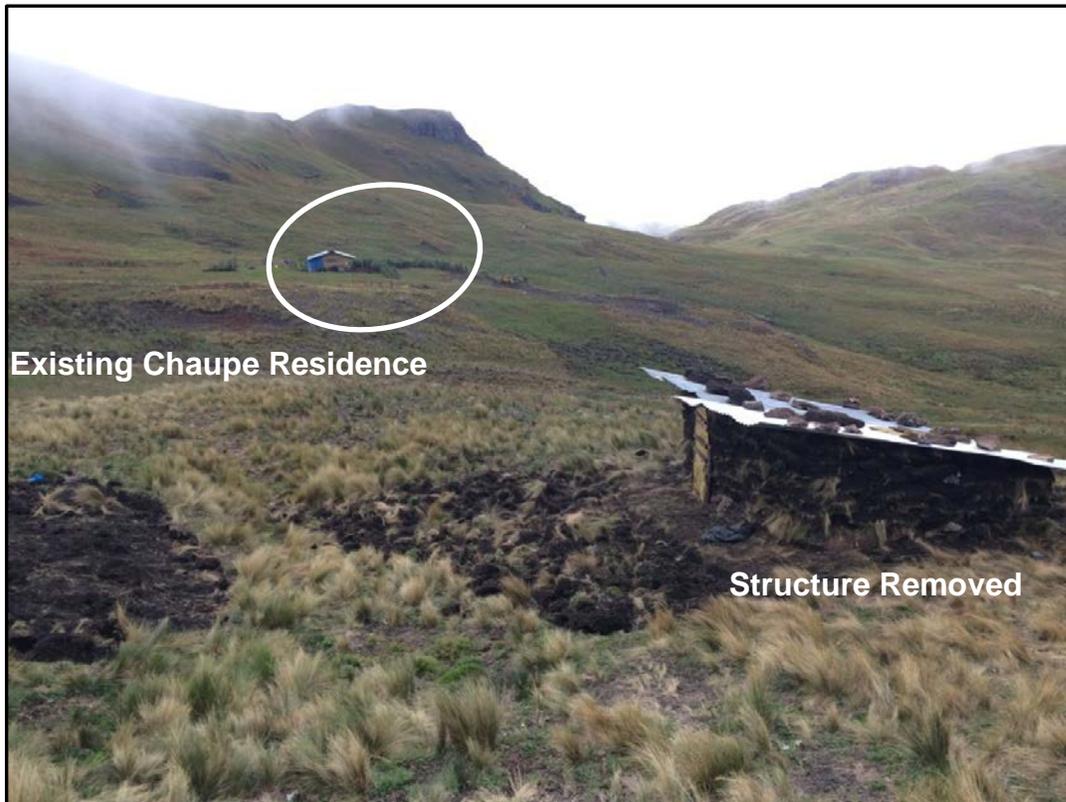


Photo: Location of the structure removed on April 29, 2015 and existing residence in the background (Photo taken April 29, 2015).



Foundation Removed
February 3, 2015

Existing Chaupe Residence

Photo: Location of the existing residence and the foundation removed in February 2015 (Photo taken in February 2015).