

7 November 2005

Committee Secretary
Parliamentary Joint Committee on Corporations and Financial Services
Department of the Senate
Parliament House
CANBERRA ACT 2600

Via email : Catherine.ellis@aph.gov.au

Dear Sir / Madam

INQUIRY INTO CORPORATE RESPONSIBILITY

I am submitting this letter outlining the present activity of Newmont Australia Limited in relation to Corporate Responsibility for the Inquiry into Corporate Responsibility by the Parliamentary Joint Committee of Corporations and Financial Services.

Newmont Australia Limited (NAL) is a fully owned subsidiary of Newmont Mining Corporation, the world's largest gold producer. NAL has operations in Western Australia, the Northern Territory and Queensland, employing about 3,000 staff and contractors and has substantial exploration land position across Australia.

Globally, Newmont has developed a leadership role in corporate responsibility and sustainable development.

It is a founding member of the International Council of Mining and Metals (ICMM) and our Chairman and CEO, Wayne Murdy, is currently Chairman of its Council, the principal governing body. Members are committed to building trust in the communities in which they operate by improving their sustainable development performance.

Newmont also contributes to the ICMM through leading roles taken by a number of our other executives in dealing with government leaders, international organisations and NGOs to define mutual expectations about sustainable development.

Earlier this year we agreed to report our sustainable development performance in accordance with the Global Reporting Initiative (GRI) guidelines. The GRI is a multi-stakeholder process and an independent institution with a mission to develop and disseminate globally applicable sustainability reporting guidelines.

The GRI's guidelines are followed voluntarily by organisations to report on the economic, environmental and social dimensions of their activities, products and services. We have already established the framework for GRI reporting in Newmont's annual "Now and Beyond" corporate report on social responsibility.

We believe that following the GRI guidelines will enhance transparency in the reporting of our social, environmental and economic impacts and allow systematic comparisons among performance leading mining companies.

Verification procedure is currently being developed and will be released next year.

We believe our commitment to follow ICMM principles and GRI guidelines will help us achieve greater transparency in how we report our operations. By doing this we believe we lay a crucial foundation for not only improving our overall performance, but also enhancing the quality of our dialogue with stakeholders.

Newmont is also a participant in the development of the United Nations Voluntary Principles on Security and Human Rights, a signatory to the International Cyanide Management Code and a member of the Council for Responsible Jewellery Practices. We support the Extractive Industries Transparency Initiative (ensuring revenues contribute to sustainable development and poverty reduction), the “Publish What You Pay” campaign (public disclosure of taxes and royalties paid to governments), the UN Global Compact (private sector tackling human rights issues) and the World Economic Forum’s Partnering Against Corruption Initiative.

Newmont Australia Limited is a member of the Minerals Council of Australia and a signatory to “Enduring Value”, the Council’s Industry Framework for Sustainable Development. NAL has signed a three year partnership with Reconciliation Australia to contribute to and provide leadership to the reconciliation agenda with Indigenous Australians. We are progressing this partnership through a number of projects. This includes work on moving from cultural awareness to cultural competence in the workplace, the development of Indigenous business enterprises and local, regional and national initiatives to develop our capacity in leadership in reconciliation. We are also involved in a number of other community partnerships such as supporting the work of the South West Land and Sea Council in Western Australia in its Governance project and contributing to the Beacon Foundation and its work on youth employment, particularly Indigenous youth.

NAL has taken a leadership role in the development of the recent MOU between the MCA and the Commonwealth Government on Indigenous Economic Development and Employment. Three of the six national pilot sites are Newmont operations.

CORPORATE RESPONSIBILITY MANAGEMENT AND REPORTING

Newmont has developed and introduced its own “Five Star” Integrated Management System to ensure effective management processes are in place at all our operations to manage our health and safety, community and environmental responsibilities and ensure that corporate policies are implemented at our sites. Annual Five Star assessments using independent assessors help us monitor the effectiveness of our management systems and prioritise areas to improve. The system provides the tools to manage our areas of corporate responsibility.

The process for assessment, among other things, include engagement with internal and external stakeholders, and the assessment against community relations standards for example, insists on capturing stakeholder perceptions on how we are travelling against each standard. Some of these standards for community relations are – management of culturally significant sites, indigenous employment, development and support of local businesses, staff and contractor behaviour and government relations.

Our Five Star standards for environmental management are not only aligned with, but go beyond the requirements of the International Standard Organisation’s ISO 4001. Our standards for stakeholder engagement are based on the Institute of Social and Ethical Accountability’s standard AA 1000, which is designed to improve accountability and performance through stakeholder engagement, reporting and auditing.

We constantly review and improve our Five Star standards to accurately address identifiable key global risks at our operating sites. A concise set of revised standards covering these areas are available on our website (www.newmont.com).

Every year external experts assess each site’s implementation of the Five Star standards, ranking performance on a scale of 1 – 5 (the Five Stars). A summary of the results for each site is included in the site specific “Now & Beyond” reports, also available on the website. A global Now and Beyond Corporate Responsibility Report is also released yearly.

The Now and Beyond reports are published as part of our commitment to accountability and transparency. They set out our goals and challenges and our efforts to continuously improve our performance in health and safety, employee wellbeing, and social and environmental responsibility.

The reports focus on areas that we and our stakeholders consider vitally important:

- The health and safety of our employees
- The fair and equitable treatment of all our employees - including their working conditions, human rights, professional development and remuneration
- The benefits to our communities with a focus on building long-term value from training and employment, new and improved infrastructure and improved healthcare, education and social services
- The importance of protecting the environment and maintaining biodiversity during the operating life, closure and rehabilitation of our mining operations.

The Now & Beyond reports complement the corporate report and the company's annual report to shareholders; all of which are available on the website.

STAKEHOLDER PARTNERSHIPS AND ALLIANCES

We recognise that Newmont's future depends on our ability to meet the values and aspirations of the societies and communities in which we operate. It depends on our ability to explore, develop, operate and close mines consistent with the principles of sustainable development – committing to the health safety and wellbeing of our communities, adding value to them and protecting the environment.

Our relationship with Indigenous communities is of particular importance to us as most of our operations are on Aboriginal land.

We have committed to taking leadership in supporting and promoting Indigenous economic, social and cultural rights and working toward the achievement of a positive social impact for all our operations.

Our policy has always been to recognise the claims of traditional owners and negotiate Indigenous land use agreements. We have set the lead in this having signed more than 40 agreements. The 200th ILUA in Australia was reached recently between Newmont and the Central Land Council covering land at Birrindudu owned by the Gurindji people.

We understand that we need to be responsible tenants through providing training, employment and business development, building community capacity, governance support and education and health.

We have developed policies around:

- human resources and procurement
- cross cultural awareness
- mentoring
- management and training
- leadership development
- business methodologies
- and, innovation and opportunities to create joint futures

TANAMI STRATEGY

At our Tanami operations in the Northern Territory we currently employ approximately 770 people made up of 220 direct employees and 550 contractor personnel. Our strategy is based around an Indigenous employment rate of between 15 to 20%. We are facing the challenges of local employment and business development through concentrating on work readiness, community capacity building and mentoring. We are taking a tripartite approach through working with the Northern Territory Government and the Central Lands Council. It is a strategic rather than a tactical view that will form an economic base beyond the life of the mine. Partnering with our contractors is a major element of this strategy. It is also recognised that this is a long term strategy that requires commitment and resourcing to ensure the benefits are sustained now and into the future.

RECONCILIATION AUSTRALIA PARTNERSHIP

In the broader context, Newmont has signed three year partnership with Reconciliation Australia to contribute to the reconciliation agenda. This is based around moving from cultural awareness to cultural competence in the workplace, Indigenous business development and leadership in reconciliation.

WILUNA AGREEMENTS

We have initiated a significant heritage agreement with the traditional owners of the tenements in the Wiluna area of Western Australia. It is significant in that it effectively insulates the traditional owners from exploration risk, as the payments are made regardless of whether a discovery is made. A trust has also been created through which compensation payments will be distributed for improvements in health, education training and job creation. A further part of the agreement is the development of Indigenous employment and business opportunities. The first prevocational training has been conducted with participants from Wiluna and graduates from this program are guaranteed a permanent job at Newmont's Jundee operation located 50km from Wiluna

DEWR AGREEMENT

Two years ago Newmont signed an agreement with the Commonwealth Department of Employment and Workplace Relations (DEWR). It has seen us provide employment opportunities for over 100 indigenous Australians above current Indigenous employment numbers and included strategies for training, employment and retention.

Earlier this year Newmont won an award from DEWR for increasing the number of Indigenous employees in remote locations. In recognising that higher retention rates are just as important, we also developed a unique pre-vocational program which is resulting in much higher retention rates than other mining companies. The program teaches job and life skills, safety, literacy and competency training.

CULTURAL AWARENESS TRAINING

Cultural awareness training is compulsory for all Newmont employees and contractors and we are finding this is also helping with Indigenous employee retention rates because we recognise the need to create a safe work environment for Indigenous employees. Indigenous employees feel much more comfortable and able to succeed in a non-threatening environment. The course developed through Newmont has been so successful that it attracts applicants from areas such as government departments, the police and educational institutions.

SWAN NUNGAR SPORT EDUCATION PROGRAM

Another Newmont partnership involves improving the education, health and prospects for Indigenous students at the Balga High School in Perth. This is happening through a partnership approach with the Swan Nyungar Community. The results of the program have been improvements in student attendance, doubling achievement levels in literacy and numeracy and improved behaviour and attitudes. After graduation Newmont is committed to providing employment for those students who are interested in a career in mining.

COMMUNITY SUPPORT

Newmont is a major sponsor of the Royal Flying Doctor Service. We also support a range of activities relating to Aboriginal heritage and culture and environmental awareness and protection. These include the Aboriginal Cultures Gallery and the Biodiversity Gallery at the South Australian Museum, No Ordinary Place – the Art of David Malangi exhibitions and the Eco-Zone program teaching Australian children about environmental responsibility. Newmont mining sites in Australia also support a wide range of cultural and environmental programs for their communities.

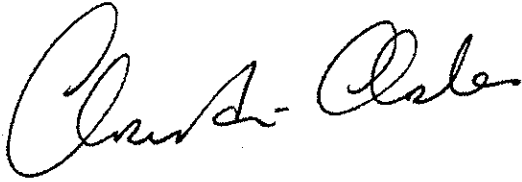
CORPORATE RESPONSIBILITY VERIFICATION

Newmont Australia Limited participates voluntarily in several public surveys measuring and verifying compliance with corporate responsibility principles. These surveys include the Corporate Responsibility Index run by the St James Ethics Centre and the Australian Top 100 Reputex ratings survey. This is being done in the interests of benchmarking our performance and utilising gap analysis and continuous improvement to ensure we remain at the forefront of corporate responsibility performance.

We believe that there is a strong business case for our engagement in activities that are seen as CSR. NAL does not engage in philanthropic activity. As a publicly listed company we do not believe we should be using shareholders money to fund activities unrelated to business outcomes. On the other, we believe that much of what is presented as CSR is actually good business and that initiatives grounded in good business are more sustainable for our company and for the community.

Please find enclosed copies of our global and site corporate responsibility 'Now & Beyond Reports'.

Yours sincerely

A handwritten signature in black ink, appearing to read "Christine Charles". The signature is written in a cursive, flowing style with large, connected letters.

Christine Charles
Group Executive
Environment and Social Responsibility