

## Exploration success and resource growth at Newmont's Tanami Operations, Northern Territory

*Matthew Baggott<sup>1,2</sup>, Shaun Schneider<sup>3</sup> and Chris Robinson<sup>4</sup>*

Over the last three years Newmont's >12 Moz Tanami Operations in central Australia have undergone a transformation from non-core asset in danger of divestment to portfolio star, leading the group in growth, and in productivity and cost improvements.

Resource additions during the period 2013–2014 totalled 2.6 Moz, of which 2 Moz was converted to reserve at an all-in exploration cost of US\$11.65 per reserve ounce. This organic growth represents more than 20% of the combined historic production plus reserve and resource endowment defined since the maiden resource was declared 27 years ago. Recent rapid growth has been driven by expansion of the >3.8 Moz Auron deposit down-plunge, combined with the 2013 discovery of the > 0.5 Moz Federation Limb deposit, and a lesser contribution from the historic flagship >7.6 Moz Callie deposit. New discoveries and resource growth have also been underpinned by strong management support for exploration, with a significant increase in diamond drilling ramping up from 45 km drilled in 2012 to 74 km drilled in 2015.

In concert with the growing resource base, annual production from the mine has more than doubled from 183 000 oz in 2012 to a projected value of 410–450 000 oz in 2015. Improved productivity from the mine has been the key contributor to a transformational change in the mine's economics, with the AISC falling from an average value of US\$2294 per ounce of gold in 2012, down to US\$686 per ounce over the first three quarters of 2015. This improvement has justified the recent executive approval of a mill expansion and development of a second decline. The expansion will further increase production to

425–475 000 oz over the next five years while adding three years to the mine life.

Tanami Operations have produced approximately 8 Moz to date, and as at December 2014, had reserves of 3.3 Moz with additional mineral resources containing 2.3 Moz. Going forward, Newmont sees potential to double the current reserve and resource base. Continued expansion of the Callie and Auron deposits down-plunge will be a pillar of longer term growth. However, the 2013 and 2015 discoveries of the Federation Limb deposit and Liberator mineralisation respectively, also highlight the significant potential for lateral growth in the camp.

This abstract contains forward-looking statements that are intended to be covered by the safe harbor provided for under securities laws. Such forward-looking statements may include, without limitation, estimates of future production, development and potential mineralisation. Estimates of future results are based upon assumptions and remain subject to risks, which could cause actual results to differ materially from future results. For a description of risks, see the Company's SEC filings. Reliance on forward-looking statements is at your own risk.

### Acknowledgements

Newmont acknowledges the traditional owners of the land on which the mine is located, the Warlpiri people. Acknowledgement to the past and present explorers of the Newmont Tanami Operations and also to the management of Newmont Mining Corporation for their ongoing support and commitment to our site.

<sup>1</sup> Principal Exploration Geologist, Newmont Asia Pacific, Perth, Australia

<sup>2</sup> Email: matthew.baggott@newmont.com

<sup>3</sup> Geology Manager, Newmont Tanami Operations, Northern Territory, Australia

<sup>4</sup> Group Executive Exploration, Newmont Asia Pacific, Perth, Australia