NEWMONT ASIA PACIFIC

NEWMONT Tanami PTY LTD
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ANNUAL REPORT

TENTH ANNUAL REPORT
For the
Tanami Exploration Agreement

for the period
1st January 2014 to 31st December 2014

'TEA' Project
Northern Territory

Volume **1** of **1**

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EXECUTIVE SUMMARY

Exploration activities conducted on TEA tenements during 2014 were limited to the completion of 11 reverse circulation drill holes for a total of 1,170m at the Quorn South prospect on EL4529. Gold assay results from the program yielded disappointing best values of 4m @ 48ppb Au, and no further work is recommended for the prospect. Rehabilitation of all surface disturbances associated with the drilling program was also completed during the reporting period.

Exploration activities proposed for the tenement package during 2015 include the collection of ~13,600 ultra fine particle soil samples from six existing prospects on EL4529, EL2366 and EL2367.

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INTRODUCTION

This is the Tenth and final annual report on exploration licences covered by the Tanami Exploration Agreement. It covers the period 1st of January 2014 to 31st of December 2014.

LICENCE DETAILS

The Tanami Exploration Agreement Ratification Act ("Agreement") was passed on 26th August 2004. This Agreement was made between the Northern Territory Government and Newmont Tanami Pty Ltd, Otter Gold Pty Ltd and Newmont Gold Exploration Pty Ltd. The commencement date for this agreement was 10th September 2004, with an expiration date of 31st December 2014.

Newmont and the Northern Territory Government entered into this Agreement for the purpose of facilitating a further exploration period during which Newmont has rights of exploration in the Tanami region, subject to the terms and conditions set out in the Agreement.

The Agreement area comprises 20,000 blocks of which no more than 10,000 blocks may be held by Newmont. All licenses are held 100% by Newmont and its subsidiaries, as above, within the Agreement area (Figure 1 and Table 1) are covered by the Act.

From the commencement date, the Granites Exploration Agreement ceased to be in effect and all remaining licenses are now included in the TEA Project.

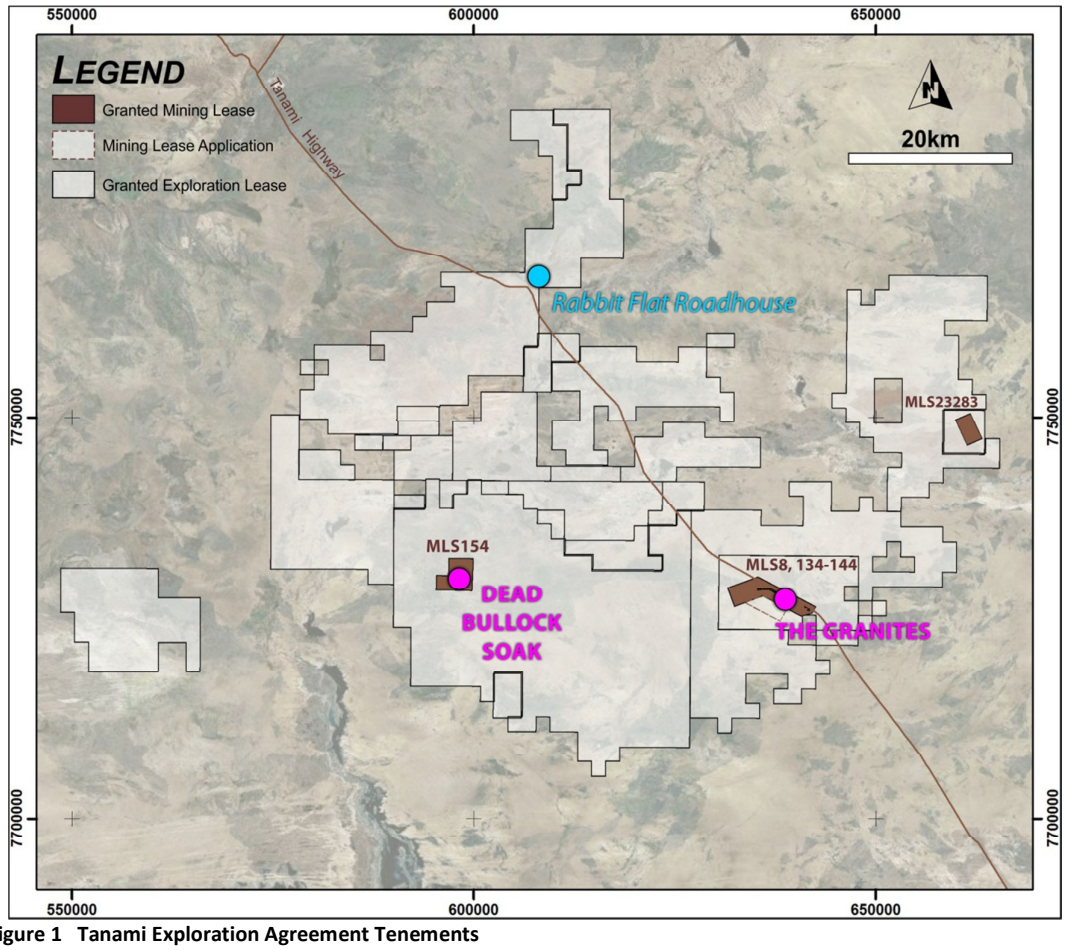

Figure 1 Tanami Exploration Agreement Tenements

In Agreement with NT Department of Resources, Minerals and Energy, a combined report covering the exploration activities carried out on the Exploration Licences shall be submitted prior to the end of May in each Tenure Year in respect of the previous calendar year. This Final report is being lodged in February which is the amended date agreed with the NT Department for lodgement post the TEA Agreement .

Tenement	Name	Grant Date	Expiry Date	Area	Holder
EL 2366	Hordern Hills	25/03/1988	31/12/2014	124	Newmont Tanami
EL 2367	Schist Hills	25/03/1988	31/12/2014	283	Newmont Tanami
EL 4529	The Window	9/05/1990	31/12/2014	48	Newmont Tanami
EL 8077	Tanami Downs	4/06/2001	31/12/2014	66	Newmont Tanami
EL 8912	Moorlands	9/09/1999	31/12/2014	105	Newmont Tanami
EL 9737	Step 2	21/08/2003	31/12/2014	7	Newmont Tanami
EL 9996	Strip	21/08/2003	31/12/2014	5	Newmont Tanami
EL 10138	Bullock's Head	8/06/2001	31/12/2014	54	Newmont Tanami
EL 22170	Jumbuck	21/08/2003	31/12/2014	20	Newmont Tanami
EL 22900	Karnak	25/05/2006	31/12/2014	13	Newmont Tanami
EL 22933	Ptearaway	25/05/2006	31/12/2014	4	Newmont Tanami
EL 23308	Windy Hill Main	25/05/2006	31/12/2014	9	Newmont Tanami
EL 23744	Rainmaker North	25/05/2006	31/12/2014	3	Newmont Tanami
EL 23833	Madam Pelleys Hills	25/05/2006	31/12/2014	6	Newmont Tanami
EL 24864	Callie West 2	12/04/2007	31/12/2014	7	Newmont Tanami
EL 24865	Callie West 3	12/04/2007	31/12/2014	2	Newmont Tanami
EL 24886	Rainmaker	12/04/2007	31/12/2014	3	Newmont Tanami
EL 24888	Inspiration Peak South	12/04/2007	31/12/2014	3	Newmont Tanami
EL 24889	Inspiration Peak North	12/04/2007	31/12/2014	2	Newmont Tanami
EL 24890	Symington North	12/04/2007	31/12/2014	3	Newmont Tanami
EL 24895	Ptilotus South	12/04/2007	31/12/2014	25	Newmont Tanami
EL 24896	Smoke Hills East	12/04/2007	31/12/2014	33	Newmont Tanami
EL 24973	Salt Lake 1	12/04/2007	31/12/2014	32	Newmont Tanami
EL 24974	Salt Lake Dune	12/04/2007	31/12/2014	13	Newmont Tanami
EL 25012	SALT LAKE 3	12/04/2007	31/12/2014	2	Newmont Tanami
EL 25013	SALT LAKE 2	12/04/2007	31/12/2014	3	Newmont Tanami
EL 23658	Lennards	3/04/2003	31/12/2014	55	Newmont Tanami
EL 23660	Cashel	3/04/2003	31/12/2014	67	Newmont Tanami
EL 23662	Cave Hills/Oberon	3/04/2003	31/12/2014	158	Newmont Tanami

Table 1 Tanami Project Exploration License Details.

LOCATION

The tenements that comprise the TEA Project are situated approximately 600km northwest of Alice Springs in the Granites-Tanami region of the Northern Territory. These licenses are located within the following 1:250,000 map sheets.

Tanami ……SE52-15

The Granites……SF52-03

Mt Solitaire ……SF52-04

Geographically, the area lies in the western part of the Tanami Desert, a generally flat and featureless sand-covered landscape of spinifex and low scrub. All tenements within the project area are within Aboriginal freehold land except 7 licenses which fall within the Suplejack Pastoral Lease.

The climate is semi-arid with rainfall averaging approximately 450mm per annum. Most rainfall occurs as summer storms associated with the monsoon season between November and March. Daily temperatures range from a winter minimum of near zero to a summer maximum of about 48^{o}C.

The Tanami Desert in which the lease is situated is widely covered in aeolian sand with a vegetation cover dominated by spinifex with low bushes and scattered small trees.

SURVEY CONTROL

Survey control has been established over the current exploration licenses by Company and contract surveyors. All survey marks have been tied to the Australian Map Grid with trigonometrical survey station control. Extensive use is made of Global Positioning System equipment by staff engaged in regional exploration.

INFRASTRUCTURE

Prior to the presence of Normandy NFM and Otter Gold, now Newmont, in this part of the Tanami region, infrastructural support was almost completely lacking. Currently supplies are trucked or flown to permanent camps at The Granites (within EL4529) from Alice Springs. Telephone and fax using microwave links service all camps. Water is provided by two remote bore fields. One bore field lies 35km east of The Granites (Billabong) and the other 10km north-east of Dead Bullock Soak. Power is locally generated at exploration bases and mine sites. The nearest settlements are the Rabbit Flat roadhouse 50km to the northwest of The Granites on the Tanami Road and Tanami Downs homestead 60km to the west. The nearest town is Yuendumu some 250km southeast of The Granites on the Tanami Highway.

ACCESS

Access to the area is by air or via the Tanami Highway. A basic network of pre-existing and newly formed tracks link individual prospect areas to the major Newmont Exploration camp at The Granites. A bitumen ore haulage road connects the Dead Bullock Soak (DBS) mining operation with The Granites mining and camp facilities.

ENVIRONMENTAL PRACTICE

All exploration activities conducted by NTO are in accordance with Article 10 and Annexure 9 of the Deed for Exploration between Newmont and the CLC, to ensure that environmental disturbance is minimised and rehabilitated in an appropriate manner.

The end land use of areas disturbed by exploration is native vegetation. The closure objective is to have drill holes, drill pads, sumps, grid lines, camp sites, unwanted access tracks and other substantial disturbances rehabilitated to a point where native vegetation has the potential to re-establish naturally without further intervention.

GEOLOGY

The Proterozoic Granites-Tanami Inlier is located about 600km NW of Alice Springs, in the Northern Territory and forms part of the broader Northern Australian Orogenic Province (Plumb, 1990). The Inlier underlies, and is bounded by, the Palaeozoic Canning, Neoproterozoic Wiso and Palaeoproterozoic Victoria River Basins to the west, east and north respectively. The Arunta Complex lies to the south and may represent a continuation of the Halls Creek Orogen in Western Australia (Hendrickx, et al, 2000). To the northwest, clastic sediments of the Middle Proterozoic Birrindudu Basin overlie and separate the Inlier from the similar age rocks in the Halls Creek Province.

The oldest rocks of the Tanami region belong to the Billabong Complex, a suite of Archaean age gneiss and schist. This is unconformably overlain by the basal Proterozoic sequence known as the MacFarlanes Peak Group dominated by mafic volcanic and volcanoclastic rocks suggestive of a rift setting. The MacFarlanes Peak Group has a maximum age of deposition of 1880 Ma. This is followed by a thick, possibly disconformable succession of clastic sediments making up the Tanami Group representative of a passive margin sequence (Hendrickx et al, 2000). The Tanami Mine Group is subdivided into a thin basal meta-quartzite, the lower Tanami Group (Dead Bullock Formation) made up of carbonaceous siltstone, BIF's and calc-silicates and an upper sequence of turbidites (Killi Killi Formation). A suite of pre-to syndeformation dolerites and gabbros intrude both the MacFarlane Peak and Tanami Groups.

Complex, polyphase deformation during the Tanami Orogeny (1845-1835 Ma) has affected the entire Inlier (Vandenberg et al., 2001). Peak regional metamorphism during the Tanami Orogeny reached amphibolite facies, but is more generally greenschist facies through the Inlier. Contact metamorphic aureoles are well developed at the margins of granite plutons emplaced throughout deformation. Formation of molasse during the Tanami Orogeny occupies a small syn-orogenic subbasin to the west of the inlier (Pargee Sandstone).

A period of crustal extension (≈1830Ma) followed the Tanami Event. This resulted in the deposition of basalt and turbiditic volcanics in an inferred failed rift (Mt Charles formation) along with high level granite intrusion and felsic volcanism from ≈1830-1800Ma (Dean, 2001). At least three suites of granitic intrusives and two volcanic complexes are present. The last intrusion of (undeformed) granite occurred at around 1805 – 1790Ma, with intrusion of The Granites Suite (Dean, 2001).

Residual hills of gently folded Birrindudu Group siliciclastics unconformably overlie early Proterozoic lithologies and form platform-facies cover. Younger flat lying Cambrian Antrim Plateau Basalts are also preserved in areas protected from erosional stripping.

Tertiary drainage channels, now completely filled with alluvial sediment, lacustrine clays and calcrete are a major feature of the region. Some drainage profiles exceed 10km width, 100m depth, presenting a formidable barrier to mineral exploration.

PREVIOUS EXPLORATION

A significant amount of exploration has been undertaken on TEA licenses since the ratification of the Agreement in 2004. For the sake of brevity the reader is referred to earlier TEA Annual Reports for the details of work undertaken prior to 2014.

EXPLORATION ACTIVITIES

Quorn South Drilling Program

A reverse circulation (RC) drilling program comprising 19 drill holes for a total of 1,759m was completed across MLS 8, ML 27957 and EL 4529 during July 2014. A summary of activities for the drilling of 11 holes for 1.170m over EL 4529 is provided in Table 2; see Figure 2 for track and hole locations and a summary of the drill holes provided in Table 3.

The drilling was focused in the area to the immediate south of the now-back filled Quorn open pit. The drill program aimed to assess the potential for extensions of the previously mined economic mineralisation at the southern end of the Quorn pit.

Eleven drill pads totaling ~0.69ha were cleared on EL 4529. Plant used consisted of four wheel drive vehicles for passenger transport, grader for track clearing, drilling rig – 8x wheel drive wide tyre RC rig and support vehicles (compressor truck, rod truck etc.).

The geology intersected during the drilling was very much in line with that predicted by available data, including massive and sheared mafic-derived sedimentary rocks and granitoid that have been deformed and metamorphosed under amphibolite facies conditions.

Extremely disappointing results with the best assay results of 4m @ 48ppb Au were returned from the program. Silver, As, Bi, Cu, Pb, Sb, Se and Te all demonstrated low level anomalism in the rocks intersected.

These results do not indicate the likelihood of any extensions to the previously mined economic mineralisation, and hence no further work is recommended for this area.

Rehabilitation of all surface disturbance (drill tracks, drill pad and drill hole collars) associated with the drilling program was undertaken at the end of 2014 following the receipt and review of the sample assay results. Rehabilitation consisted of ripping of the 11 drill pads and tracks, removal of all sample spoil, sample bags, grid pegs and flagging. Drill collars were cut off below ground level, plugged and buried consistent with the Department of Mine and Energy advisory note for the construction and rehabilitation of exploration drill sites.

Exploration Activity	Completed
Number of holes drilled	11 x RC holes
Maximum depth of holes	100m
Total meters drilled	1,170m
Total samples collected	279 samples
Number of drill pads cleared (area ha)	~0.69ha
Length of line / track clearing (Length x Width)	1,500m x 2m
Total area disturbed by this program (hectares)	~0.99ha
Drill holes capped / plugged	11
Total area rehabilitated (hectares)	~0.99ha

Table 2. Summary details of Exploration activities completed on EL 4529 during the reporting period

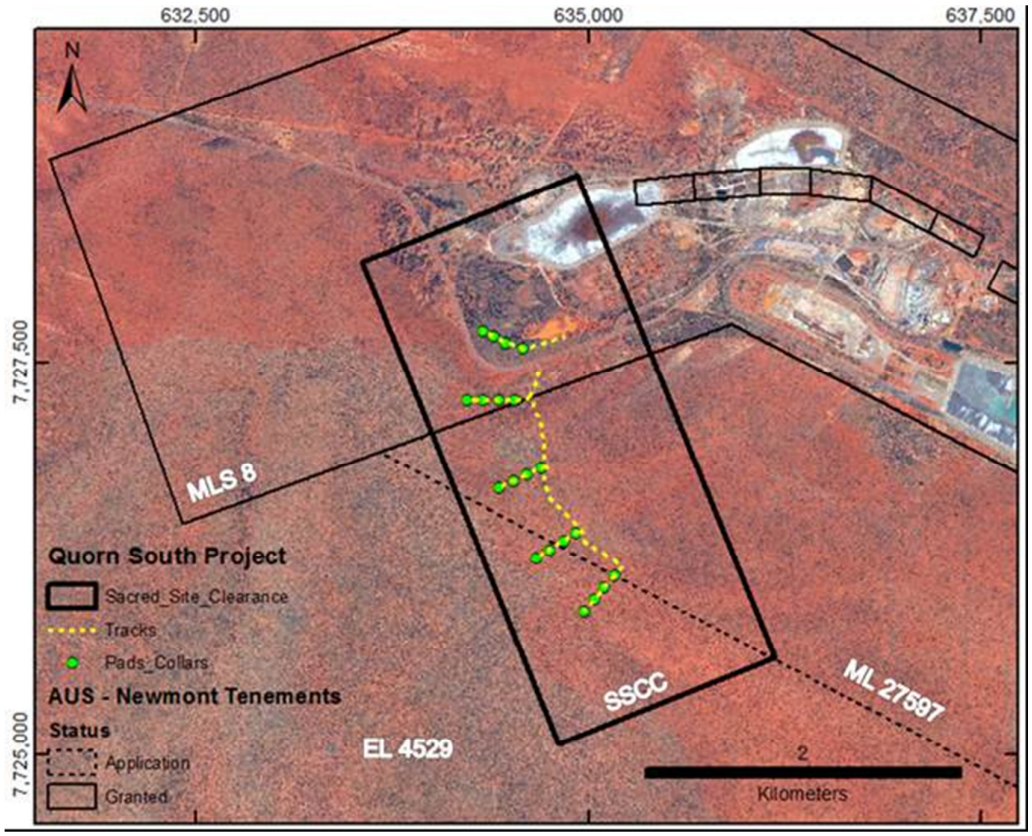

Figure 2. Map showing the location of RC holes drilled on EL 4529 during the reporting period

Hole ID	Easting (mE)	Northing (mN)	Azimuth (Mag)	Dip	Total Depth (m)
LN3H9	634691	7726832	065	-55	100
LN3H10	634604	7726791	065	-55	100
LN3H11	634513	7726747	065	-55	100
LN3H12	634421	7726708	065	-55	100
LN4H13	634916	7726419	057	-55	100
LN4H14	634834	7726364	057	-55	82
LN4H15	634746	7726311	057	-55	100
LN4H16	634660	7726256	057	-55	100
LN5H17	635157	7726144	042	-55	100
LN5H18	635091	7726073	042	-55	88
LN5H19	635031	7725994	042	-55	100

Table 3. Summary details of drill holes completed on EL4529 during 2014

FUTURE WORK

Ultra-Fine Particle Gold Soil Sampling

The advent of ultra-fine particle gold (UFP) soil sampling as a method for exploring through cover has provided some re-invigoration to Newmont's greenfields exploration activities in the poorly-exposed Tanami Region. A work program has been proposed to conduct orientation UFP surveys, to be followed by more systematic surveys where appropriate, across known prospects at Granites West (EL4529), Horden Hills and Du Loc (EL2366), and Quartz Ridge West, DBS and the Didjiedoonkuna Hills (EL2367). A summary of the work proposed for the coming reporting period is provided in Table 4.

Mining Interest	EL4529	EL2366	EL2367
Type of sampling	Ultra-fine particle soil	Ultra-fine particle soil	Ultra-fine particle soil
Target commodity	Gold	Gold	Gold
Number of proposed samples	600	3,000	10,000
Length of track clearing (length x width)	3,000 x 2m	25,000 x 2m	7,500m x 2m
Total area disturbed (hectares)	0.6	5	1.5

Table 4. 2015 Summary of Proposed Exploration Activities (EL4529, EL2366 and EL2367)

The work program proposed will involve two geologists and three field assistants working over the course of the year. The sampling programs will be preceded by the re-opening of light vehicle access tracks to the prospects. The clearing will be completed in a "blade-up" fashion so as to remove surficial vegetation while imparting minimal disturbance to the topsoil.

The proposed work program on EL4529 involves the opening of about 3km of light vehicle access tracks to the WSW of the Granites-DBS Haul Road on MLS8 (see Figure 3). The planned UFP soil sampling program will consist of a relatively tightly spaced grid covering approximately 12km^2 of folded and thrust imbricated Fe-rich rocks considered to be equivalent to the "Mine Sequence" on the Granites trend. The sampling program, comprising about 600 samples, will be conducted by one Geologist and one Field Assistant, and is expected to take about four weeks.

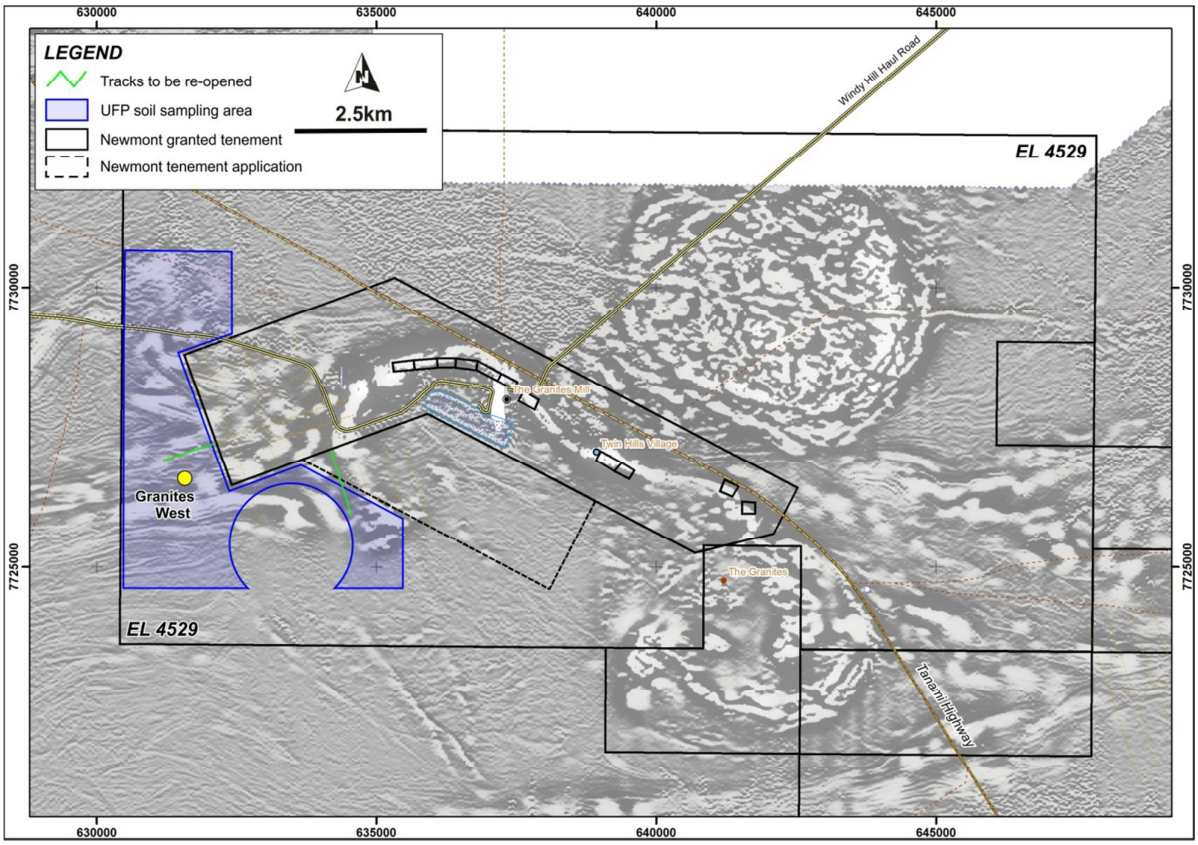

Figure 3. Map showing the location of proposed works on EL4529 during the coming reporting period

The initial stages of the proposed work program on EL2366 will involve the sampling of a relatively tightly spaced orientation grid over and around the Horden Hills prospect (location shown in Figure 4; no sampling to be conducted in exclusion zones). Once an orientation dataset has been established for the area soil sampling grids will be extended over other geophysical targets in the Horden Hills, Du Loc and Torpedo areas.

The proposed work program will involve the re-opening of approximately ~25km of light vehicle access tracks to the SE of the Tanami Highway, and the south of The Granites mine (Figure 4). A provision has been made for a Geologist and two Field Assistants to collect ~3,000 soil samples, which will be distributed between the Horden Hills, Du Loc and Torpedo areas, over three months.

On EL2367, a UFP soil sampling grid will be completed at DBS along the eastern extension of the 70°/070° trend of economic mineralisation at the mine (Figure 5). In this area the east-plunging mineralisation in the Dead Bullock Formation is covered by barren rocks of the Killi Killi Formation. The aim of the sampling is to test for evidence of continuity of the mineralisation at depth without the need for deep diamond drilling.

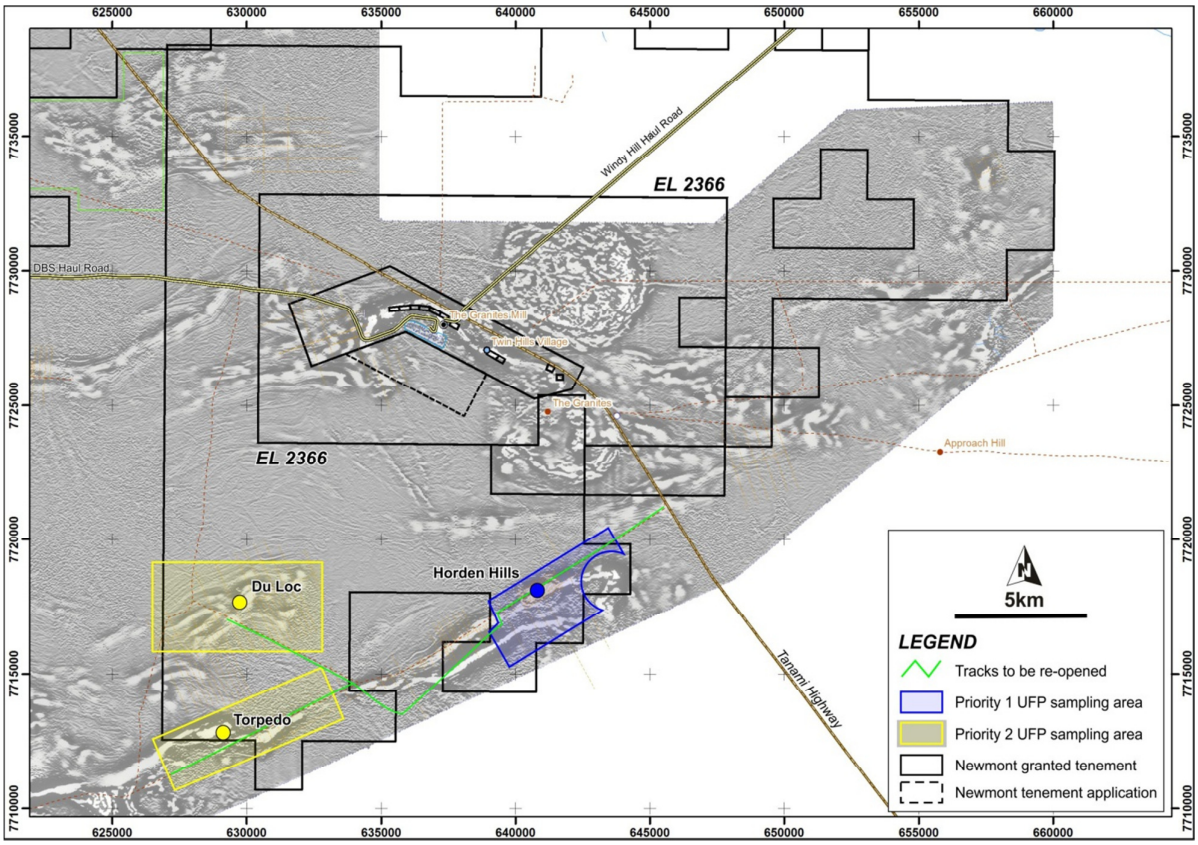

Figure 4. Map showing the location of proposed works on EL2366 during the coming reporting period

At the Quartz Ridge West prospect on EL2367 a UFP soil sampling grid will be completed over tightly folded prospective Dead Bullock Formation rocks along trend of outcropping gold anomalism at the neighbouring Quartz Ridge prospect on EL 2366 (Figure 5). Traditional soil sampling at this location yielded low level gold anomalism in an area interpreted to be overlain by moderate cover on the southern margin of a regionally significant palaeochannel.

The UFP soil sampling program planned for the Didjiedoonkuna Hills area on EL2367 will test for gold mineralisation in thinly covered lower Dead Bullock Formation rocks in the core of a tight, east-plunging anticline (Figure 5; no sampling to be conducted in exclusion zones). The stratigraphy and structural setting of this location is considered to be analogous to that at the neighbouring DBS mine. The sampling pattern will be focused on the thinly covered areas away from the outcropping ridge on which the exclusion zones are centered.

As the proposed work programs on EL2367 are being undertaken adjacent to already well-established access the cost of re-establishment of tracks is considered to be relatively low. Allowance for the re-establishment of 7.5km of tracks has been budgeted, the bulk of which will likely be used in the Quartz Ridge West area (Figure 5).

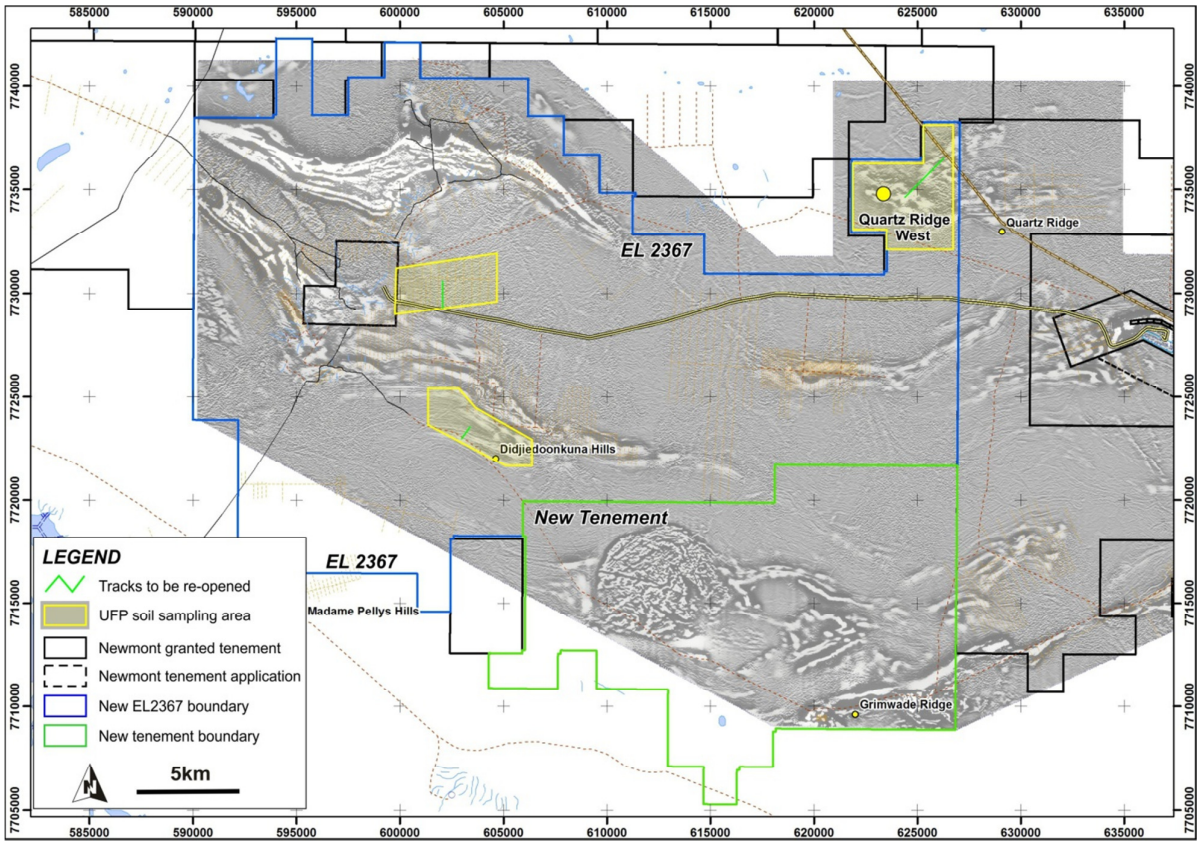

Figure 5. Map showing the location of proposed works on EL2366 during the coming reporting period

An assay budget facilitating a total of ~10,000 samples has been proposed for the targets on EL 2367. The initial stages of sampling will involve the completion of wide-spaced grids over all target areas. Follow-up infill sampling will be prioritised over the areas that generate the most interesting UFP soil responses. The sampling program is expected to take one Geologist and two Field Assistants up to five months to complete.

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