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Long Canyon to provide 400 jobs

ELKO - Newmont Mining Corp.'s Long Canyon Project will create 400 jobs when the company completes planned mined development, but that is still a few years away, according to Jeff White, director of environmental stewardship.

The company expects to file a plan of operations with the U.S. Bureau of Land Management Elko District in the first quarter of the new year or early in the second quarter to start the permitting process for Long Canyon, he told Elko County Commissioners.

"We're looking to move it along in a swift manner," White said, in hopes that Long Canyon can begin producing gold in 2015 and go into full production in 2016.

Newmont currently is doing baseline studies and working on a preliminary plan for the project on the east flank of the Pequop Mountains in Elko County between Wells and West Wendover, as well as continuing exploration drilling, he said Wednesday.

He said five drilling rigs are on site now, and Newmont has been "drilling vigorously" all the drilling season. The drilling will break for the holidays and start up again in January. Newmont had a goal of 175,000 feet of drilling this year but well exceeded that amount, White said.

Exploration is concentrating on defining and extending that ore body that attracted Newmont in the first place, leading the company to buy Fronteer Gold for \$2.3 billion with high hopes that Long Canyon is a new mining trend.

Newmont also is a joint venture partner with Agnico-Eagle in the West Pequop Project in the vicinity of Long Canyon.

Preliminary plans call for an open-pit mine, a mill, tailings facility, leach pad and waste-rock facility, White said in the update for commissioners. Newmont representatives also are keeping Wells, West Wendover, and Wendover, Utah, updated on the project. This will be the first major gold mine at the east end of the county.

"It's a totally new project, and we are adding jobs to the county workforce," White said, telling commissioners there will be the 400 new jobs once the project is developed, and the construction should bring in up to 700 workers.

Shortly before Newmont acquired Long Canyon last April, Fronteer reported Long Canyon had a resource of more than 2 million ounces of gold.



Newmont also plans to provide full financial assurances for Long Canyon for reclamation and environmental cleanup, White said. The company currently has nearly \$1 billion in financial assurances posted in Nevada to "ensure there is no risk to the public" should Newmont fail, he said.

Along with the gold exploration and plans for Long Canyon, White said Newmont is operating the Big Springs Ranch near the Long Canyon Project under its Nevada Land and Livestock subsidiary. Newmont acquired the ranch in the purchase of Fronteer Gold.

Rhonda Zuraff, manager of external relations for Newmont in Nevada, told commissioners the company is working with Wells and West Wendover, and those communities also will benefit from Newmont contributions.

Newmont's Legacy Fund is providing more than \$1.8 million to charities this year in communities in Nevada where the company mines, she said. The Legacy Fund raised more than \$900,000 in employee contributions, and the company matched that amount for the nonprofit organizations the workers pick for their donations.

Zuraff said the Newmont's endowment fund also is growing to provide contributions to the community into the future, when mining ends and a community investment committee fully funded by Newmont to help communities with events and even for-profit businesses.

Commissioners also took action on a mining-related resolution Wednesday, passing the resolution opposing a proposed "dirt tax" that came up in Congress during the Super Committee's efforts to trim the deficit.

The resolution supports the National Mining Association's opposition to the "dirt tax."

The resolution calls the dirt tax a "very punitive \$1.8 billion tax assessed upon the volume of dirt moved in mining operations that would serve to complicate and inhibit one of the very few well performing industries in the current national economy