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Press Release

EXPERTS: FISH ARE SAFE FOR CONSUMPTION

(Manado, 7 July 2006). The criminal trial proceeding against PT Newmont Minahasa Raya (PTNMR) and its president director, Richard Ness was resumed today in Manado with testimonies from experts in medical forensic and quantification of environmental performance. Today's witnesses confirmed that there is no pollution from heavy metals in Buyat Bay and fish is safe for consumption. In addition, the court heard testimony that pointed out to the inconsistency and erroneous conclusion of the national police laboratory report, which serves as the basis for the criminal charges against the company and Richard Ness.

Dr Munim Idris, Indonesia's renowned medical forensic expert from the University of Indonesia's Faculty of Medicine who has practiced in the field since 1979, pointed out to the inconsistency between fact and conclusion of the national police laboratory report (PUSLABFOR). For example, the report concluded that there was poisoning among the local community despite the fact that the laboratory did not have the competency to draw such conclusions. The laboratory was only responsible to interpret data, whilst conclusions with regard to poison and public health must be issued by medical doctor, not the police. Another conclusion of the report stated that PTNMR's tailings had caused decline of quality of ecosystem in Buyat Bay, when in fact the police never conducted research in this regard, thus there was no foundation for such conclusion based on data presented for laboratory review.

This prominent forensic expert furthermore testified that the police laboratory report did not follow proper procedure, which affected the report's conclusions. He also noted inconsistencies within the evidence such as additional samples received by the police laboratory compared to the quantity written in the minutes of the field sampling report. It was also noted that the police' samples were only sealed four days after they were taken, which this expert stated violated standard procedures on preservation of the authenticity of evidence.

Testimony by the second witness, Mr. Shakeb Afsah, a Harvard-trained analyst on environmental performance, affirmed that the conclusion of the State Ministry of Environment (KLH) Technical Team's report on the Environmental Quality Assessment of Buyat and Totok Bay dated 8 November 2004 was fundamentally flawed. The KLH Technical Team report did not apply the correct formula with numerous data errors used in the calculation of a hazardous index (HI or a quantitative methodology for evaluation potential risk from consuming food items that have metals) related to fish consumption in Buyat Bay, which the authors then used to draw the wrong conclusion in the report. For example, the report assumed that people would eat 10 times a day vis-à-vis 3 times a day considered normal consumption pattern in accordance to the WHO guidelines. Moreover the

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report used an assumption that people would eat 0.5kg of fish per meal or 5 kg of fish per day based on the 10 times meal per day or 1 tonnes of fish per year as the basis to calculate HI.

In response to today's testimony, Mr. Richard Ness, President Director of NMR said, "Today's testimonies provided strong evidence that the function of Buyat Bay has not changed and that Buyat Bay is not polluted. Marine life is safe, and the public health of the local community is not adversely impacted by PTNMR's operations." In addition to the testimony with regard to the conclusion of the November 2004 KLH Technical Team on Buyat Bay, Rick said, "The report used wrong assumptions for hazard index, which overestimated the risk of arsenic in fish in Buyat Bay by more than 4000%. The report then recommended that people should not eat fish from Buyat Bay and communities should be relocated. This work is a product of technical incompetence, which borders manipulation of data to achieve predetermined conclusions, and has no resemblance to a scientific analysis."

On the testimony related to the PUSLABFOR report, Rick said, "Expert witness highlighted several discrepancies and inconsistency in the report. He questioned the authenticity of the evidence, which is fundamental to this entire legal case. Witness questioned the failure of the chain of custody and control, the inconsistency in the number of samples, the lack of prompt sealing of evidence, all of which raise serious doubts about the validity of the laboratory results, on which these questionable conclusions were based. As such, the national police forensic laboratory report should be rejected as legal evidence."

Rick concluded, "There is no merit and basis to this legal proceeding against PTNMR and myself." PTNMR will continue to present facts and scientific evidence to show that there is no pollution in Buyat Bay and it has always in compliance of Indonesian environmental and mining regulations.

NOTE:

The two expert/fact witnesses at today's trial were:

- **Dr Munim Idris** – Lecturer on Forensic, University of Indonesia Faculty of Medicine. He also teaches forensic at the Training Center of the Attorney General, Indonesian Academy for Military Law and National Police Academy. He has studied medical forensic since 1979.
- **Shakeb Afsah, MPA** –Served as an advisor to many senior public officials and corporate managers including Resident Advisor to the Ministers of Environment in Indonesia and the Philippines and benchmarking advisor to the Director of the Egyptian Electric Utility and Consumer Protection Regulatory Agency (EEUCPRA) in Cairo (2003, 2005). He holds a US patent on methodology for measuring environmental performance. Received his Masters in Public Policy from Kennedy School of Government, Harvard University and Bachelor of Technology from the Indian Institute of Technology, New Delhi.

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