

# NEWMONT TO SUBMIT CASE TO INTERNATIONAL ARBITRATION

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## Newmont to Submit Case to International Arbitration

Jakarta, 9 March 2005 – In relation to the civil lawsuit filed by the Ministry of Environment against PT Newmont Minahasa Raya at the South Jakarta District Court today, PT NMR expresses its regret over this suit. “The suit is baseless.” said Luhut MP Pangaribuan, legal attorney of PTNMR.

Luhut added, “The Ministry of Environment acting on behalf of the government has not complied with the prevailing provisions under the Contract of Work signed between the Government of the Republic of Indonesia and PTNMR. It is unfair to see a foreign investor that signed a Contract of Work with the Government of Indonesia being sued by the Ministry of Environment of Indonesia which is in fact part of the government of Indonesia.”

The CoW signed between PT NMR and the Government of Indonesia stipulates that all disputes between the parties will be settled by conciliation or arbitration in accordance with the international arbitration rules. “ We have to consider filing for international arbitration to follow the CoW and we are confident that we will win this case in both international arbitration and in the South Jakarta District Court. The government (Environmental Ministry) has made a blunder,” he said.

Results of the analysis conducted by nationally and internationally accredited laboratories conclude that there is no pollution in Buyat Bay waters and the quality of the fish in the bay is not different from that of the fish found elsewhere in the world. Metals contained in the sediment were stable and anticipated by AMDAL and approved by the authorized governmental institutions. Newmont’s, the Government’s and independent team’s studies and monitoring through the life of the mine have not indicated any damage to the environment. Years of continuous monitoring have shown that these metals are stable and do not pollute the waters or biota.

“We are now confused about the real motive of the Ministry of Environment in filing this civil lawsuit. Is it purely a legal procedure and act or are there certain parties who have taken advantage of this controversy?,” said Luhut Pangaribuan.