



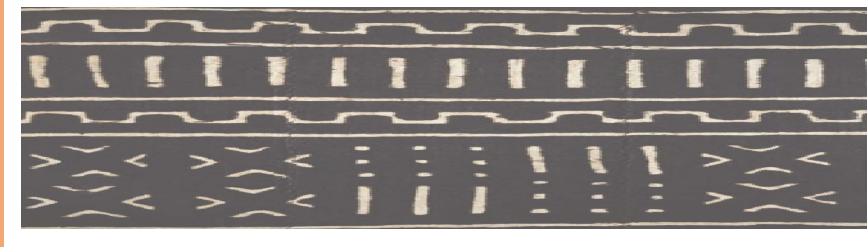
NEWMONT GHANA GOLD LTD.



GUIDE TO LAND ACQUISITION AND COMPENSATION FOR EXPLORATION ACTIVITIES

AHAFO GOLD PROJECT

OCTOBER 2005



BRONG AHAFO REGION GHANA WEST AFRICA

**GUIDE TO LAND ACQUISITION AND COMPENSATION FOR
EXPLORATION ACTIVITIES
AT THE
NEWMONT GHANA GOLD LTD.
AHAFO PROJECT**

Prepared by:

Newmont Ghana Gold Ltd.
C825/26 Lagos Avenue
East Legon, Accra, Ghana

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INTRODUCTION

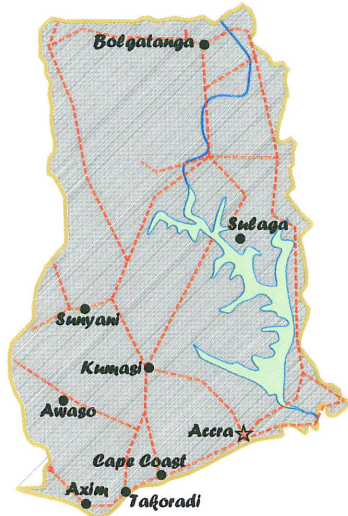
The Ahafo Project is located northwest of Accra, the capital of Ghana, in the Brong-Ahafo Region, between the cities of Sunyani, the regional capital, and Kumasi, the second largest city in Ghana (**Figure 1**). The Project contains the Normandy and Rank mining leases (the location of the Ahafo South Project) as well as the minerals rights (reconnaissance and prospecting licenses and mining leases) located in two districts of the region.

Newmont Ghana Gold Ltd. (NGGL), a subsidiary of Newmont Mining Corporation, is developing gold reserves at the Ahafo Project, which lies within the Sefwi Volcanic Belt, one of six northeast-southwest trending volcanic belts in the Birimian System of western Ghana. Economic deposits of gold occur along a 70 kilometer strikelength. Many of the largest gold mines in Ghana, including AngloGold Ashanti's Obuasi mine and Goldfields Ghana's Abooso mine lie within the Birimian System.

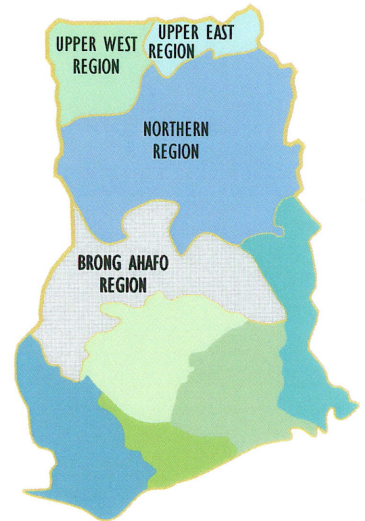
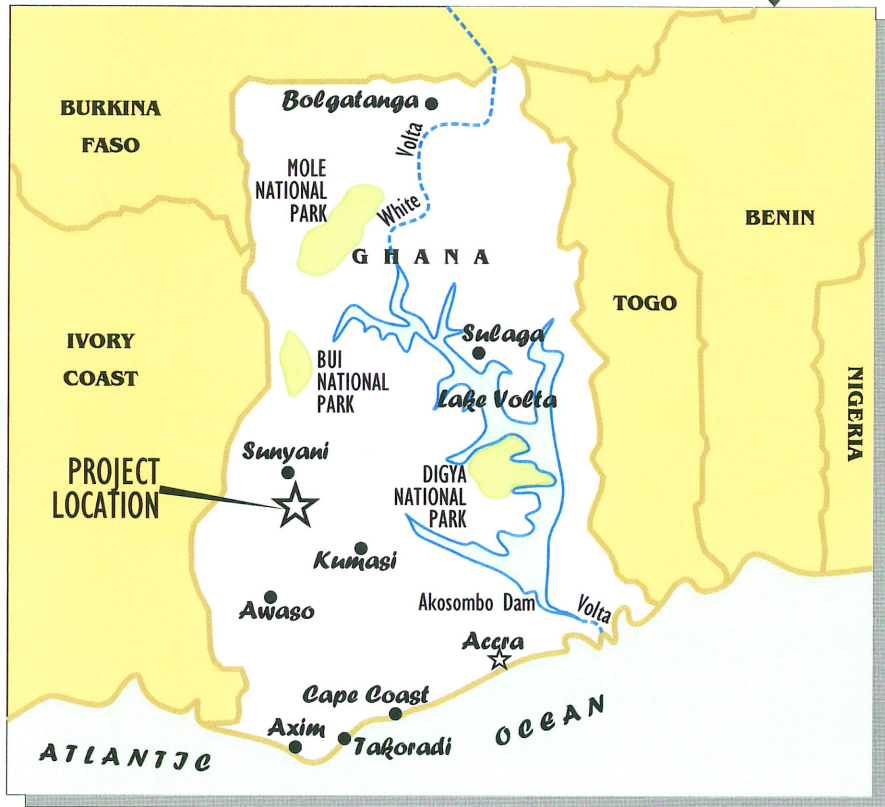
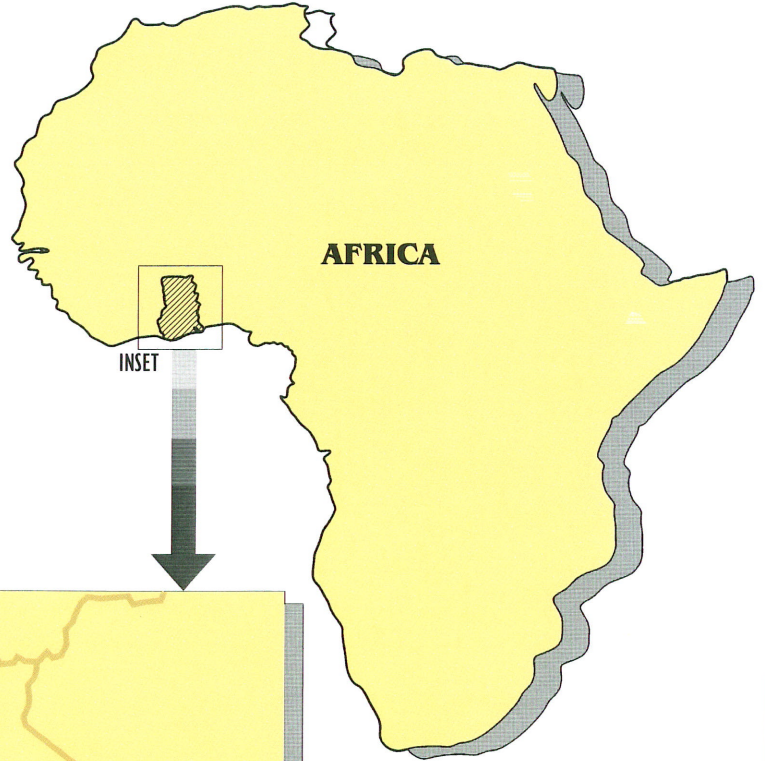
NGGL developed and will maintain this Guide to Land Acquisition and Compensation for its exploration activities that require temporary access to and across land and crop damage resulting from exploration activities performed by NGGL's District Exploration and Development Geology teams. Exploration is ongoing to identify additional reserves within an area of over 500 square kilometers (see **Figure 2**). This Guide is designed to ensure exploration-affected people receive appropriate cash compensation for destruction of their crops.

The legislative framework for mining in Ghana is stated in the Minerals and Mining Law. Mineral rights are legally defined to include the rights to reconnoiter, prospect for, and mine minerals. A mineral rights holder must compensate for any disturbance to the rights of owners or occupiers and for damage to the surface of the land, buildings, works or improvements, livestock, crops or trees in the area of mineral operations. The Act does not provide compensation for the land itself. According to the Minerals and Mining Law, compensation is determined by agreement between the concerned parties, with the approval of the Land Valuation Board. In practice, this agreement involves a broad section of stakeholders, including affected farmers and local traditional and political leaders.

In addition to complying with Ghanaian legislation and guidelines, NGGL adheres to the Newmont Five Star Land Access and Acquisition Standard. This Guide confirms NGGL's commitment to both social responsibility and public involvement in the mineral exploration process.



Ghana Road Map



Ghana Region Map

General Location Map
Ahafo Gold Project
Brong Ahafo Region, Ghana
FIGURE 1



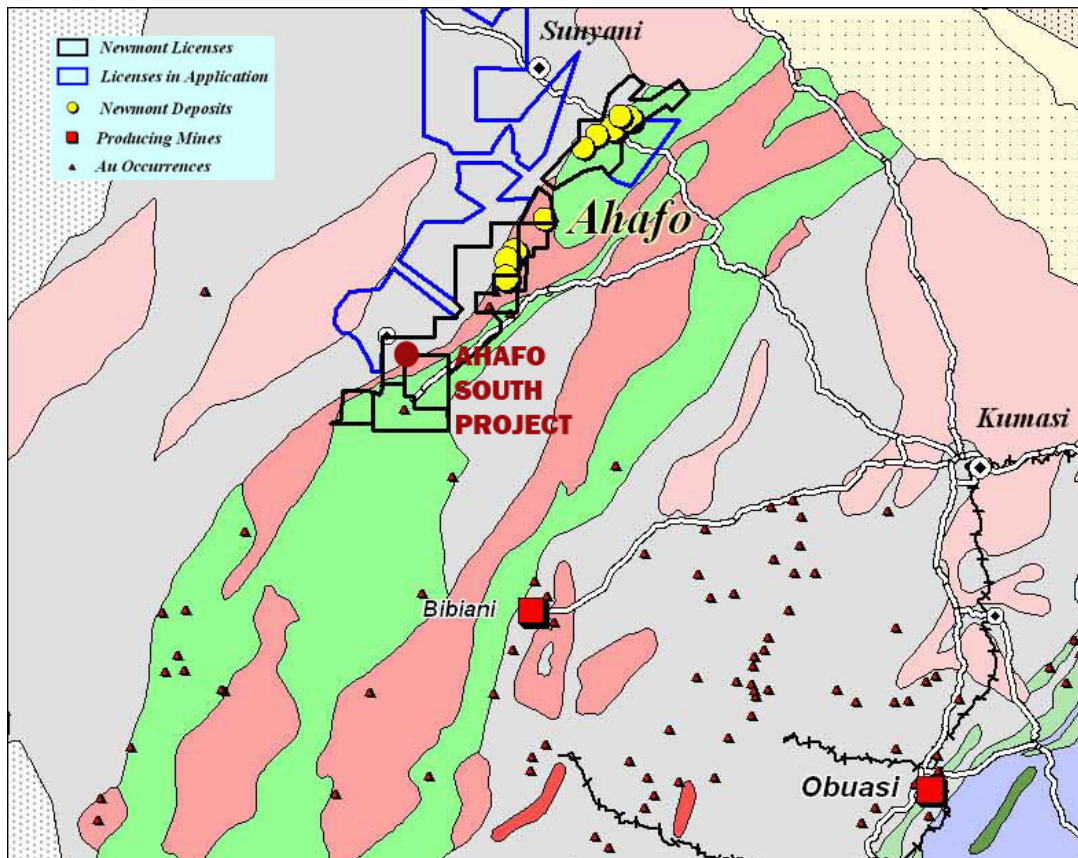
A. Project Background

Through the 1990s, Centenary Gold Company (the Sefwi Belt Gold Project) and Rank Mining Company (the Ntoroso Gold Project) held the mineral exploration rights for what would become the Ahafo Project. In June 2001, following formation of a joint venture between the two companies and Normandy Mining Limited, the Government of Ghana granted Normandy the Sefwi and Rank mining leases, providing mining and gold extraction rights to an area over 500 square kilometers in two administrative districts (Asutifi and Tano North) of the Brong Ahafo Region.

Newmont acquired Normandy, including the Normandy and Rank mining leases in February 2002. In December 2003, Newmont and the Government of Ghana signed a foreign investment agreement guaranteeing certain financial and operating rights over a period of 30 years for its projects in Ghana.

NGGL separated the Ahafo Project into two components; Ahafo South and Ahafo North. The Ahafo South Project is located in the middle of the NGGL tenement areas, as shown on **Figure 2**. Construction of advanced infrastructure began in April 2004: the process plant will be commissioned in May 2006. Land acquisition and compensation activities in the Ahafo South Mining Area will be complete in November 2005, as described in the Ahafo South Resettlement Action Plan. This Guide covers other land within the Ahafo Project mineral rights area where exploration will occur.

FIGURE 2





B. Project Description

NGGL intends to continue exploration activities in the Ahafo Project mineral rights concession area to determine if extensions to known or new deposits are economically viable develop into a stand alone mining project or to include in the initial phase of development at Ahafo South, as approved by the Ghanaian Environmental Protection Agency.

The areas covered in this Guide have the required Ghanaian exploration licenses (reconnaissance license, prospecting license, or mining lease). In order to obtain these licenses from the Minerals Commission, the local government authorities and traditional leaders in a proposed license area are consulted for comment on the application by a mining company. The comments received may be positive or negative. If negative, then NGGL External Affairs community outreach workers would consult local officials and traditional and community leaders to determine the issues and concerns of negative comments. Through this process questions can be answered, understanding can be developed that in most cases results in approval of a license. NGGL is committed to initial and ongoing engagement to demonstrate that traditional and governmental authorities have ongoing support for exploration activities.

The Guide is designed to ensure a uniform, systematic, and timely method of recording, approving, and compensating for crops destroyed by exploration and temporary access activities. The procedures described in this document are designed to ensure that farmers are informed and participate fully in the process of receiving appropriate cash compensation for loss of crops per legal requirements. The entire process – from entering an exploration area to compensating the farmer - takes less than two months.

Once NGGL geologists define the exploration program for a given area, (i.e., identify the trend of the mineral deposits and estimate the number and location of exploration holes needed), NGGL External Affairs teams accompany exploration teams during contacts with traditional authorities and Chief Farmers. NGGL personnel first meet with the Paramount Chief and then the local chief and his council and/or the local Chief Farmer in the potential working area to explain proposed activities and time frames. Crop compensation rates for temporary use of the land, to obtain access to another piece of land, and for line cutting are reviewed and negotiated annually and made available to farmers. Crops are assessed jointly with each farmer prior to any surface disturbance. A signed agreement (“chit”) between NGGL and each farmer indicates acceptance and work can proceed and crops compensated. Exploration teams, including NGGL External Affairs personnel, interact directly with local farmers, to provide timely response to questions and/or complaints.

Farmers have the right to refuse access to their land and /or destruction of their crops and this may be due to various reasons. If this occurs, External Affairs and Exploration teams meet with the farmer to resolve any issues or concerns. In most cases differences are resolved but if necessary, the Exploration team may move to a different location when a farmer has not agreed to provide access to avoid impacts to a particular concerned farmer.

Specific activities in exploration areas include:

- Acquiring access to or across a farmer's land to an area geologists want to conduct preliminary testing with minimal disturbance. This includes activities such as line cutting, collecting soil samples, geophysical surveys, and excavating test pits (and filling after testing);
- Acquiring access to or across a farmer's land to an area identified for exploration drilling. Access roads for drill rigs are generally about 3 meters wide and may extend a few kilometers;
- Surveying and staking the location of a drill pad to ensure sufficient space to accommodate drilling, logging core samples, and other relevant associated work;
- Creating drill pads along access roads to collect bedrock samples. Drill pads are approximately 400 square meters and linked to the access road via a short driveway. Depending on the depth of the hole, a drill pad would be occupied for a few days to a few weeks; and
- Collecting and logging chip or core samples as the drilling continues to the target depth.

After exploration activities are complete, associated surface disturbance is rehabilitated by ripping the area to break up any compaction and recontouring to match surrounding topography. When practicable, the farmer is hired to assist in the rehabilitation effort to earn additional income and ensure reclamation of the area meets their approval. Most land is improved by the rehabilitation process because NGGL rips and furrows the plot, preparing it for planting. Where practical, NGGL allows crop owners to salvage (harvest or transplant) crops prior to surface disturbing activities. Once exploration work is complete, replanting the area can be undertaken by the farmer. Farmers that replant fields, which are later disturbed by NGGL activities will be compensated again for whatever is disturbed.



Example of land disturbance during exploration activities



Example of crops on rehabilitated land



C. People affected by Exploration Activities

The Ahafo Project reconnaissance and prospecting licenses cover land in two administrative districts of the Brong Ahafo Region: Asutifi and Tano North. Over 200,000 people live in these districts, although no estimate is available for the number of people living within the exploration areas. The number of households affected by exploration activities each year varies by year depending on NGGL priorities, budgeting, the availability of rigs and crews, and the results of previous exploration work in the area. Crop compensation procedure outlined in this Guide allows NGGL to track the number of farmers affected each year, by specific area.

Farming is the major economic activity in the area. Farmers produce cash crops such as cocoa, palm oil, citrus, and coffee. Cultivated food crops include maize, cassava, plantain, cocoyam, yam, rice, and vegetables. According to the Ahafo South Resettlement Action Plan (planningAlliance 2005), farm fields are generally small, averaging 0.34 hectares.

While the majority of residents have historic origins elsewhere, most have lived in the region for generations and identify with the area. Main ethnic groups include Ahafos, Ashantis, and Bonos. Others include Wangaras, Dagombas, Kuasasis, Fantes, Ewes, Gas, Akuapems, Gonjas, Hausas, Dagartis, and Frafras.

In Ghana, traditional authorities play an important role in land allocation and management, particularly in rural areas where they command considerable respect. The Ahafo Project falls within the Ashanti Kingdom, the seat of which is Kumasi. The Ashanti King, Otumfuo Osei-Tutu II, recognizes a number of Paramount Chiefs, each of whom administers a stool and divisional or autonomous chiefs within the area.

Paramount and divisional chiefs exert control over sub-chiefs, who represent major communities within their respective stools; and village chiefs, who represent smaller communities. A Chieftom consists of the Chief, Queen Mother, sub chiefs, family/clan heads, and a linguist. This gathering is the supreme body in the community and must approve all decisions made. This traditional structure is also used to address family disputes, town development issues, civil cases, and is custodian of customs and traditions of the people.

Most communities have a Chief Farmer, or elect one as the need arises, who is integral to the local agricultural process. The Chief Farmer is not a traditional position but a trusted individual chosen by the community by virtue of his leadership in local agricultural production to adjudicate disputes among farmers on land and crop issues and to act as the farmers' representative with governmental and private agencies.

II. LAND TENURE AND LAND USE RIGHTS

Customary land ownership predominates in the Asutifi and Tano North districts. Specifically, traditional authorities hold the land in trust and allocate land at their discretion to families and individuals for cultivation and habitation. Allocated land remains in families through inheritance, although the land generally is not deeded to an individual, making land use rights the important criteria for developing a compensation program.

Land use rights vary between landlords and tenants. Generally, a *landlord* is a property holder with exclusive rights to use or dispose of use rights to land, as described above. Land use rights are typically acquired from traditional rulers, family heads, or by inheritance and are disposed otherwise by sale or to tenants.

Tenants are people or households with rights to use the land as negotiated under a private agreement with landlords. There are two types of tenants in the districts: sharecroppers and caretakers.

- *Sharecropping* (the ‘abunu’/‘abusa’ system) is a specific type of land tenancy in which the landlord extends farming rights to a specific parcel of land for an agreed upon period of time. In the ‘abunu’ system the produce, or revenue thereof, is shared evenly between landowner and tenant. In the ‘abusa’ system the produce from the land, or revenue thereof, is shared such that one-third goes to the landowner, one-third to the tenant, and one-third is used for maintenance. This is a common practice determined through negotiation between the tenant and landlord and depends on the type of crop harvested.
- A *caretaker* is employed – by either a landlord or sharecropper – to tend a particular field (e.g., a cocoa plantation). The caretaker usually resides on or near the field, and in exchange for cultivating the field receives a share of the proceeds from the sale of crops, typically a one-third share.



Farm field in production



III. PUBLIC CONSULTATION AND DISCLOSURE

Public consultation begins before NGGL has received the required Ghanaian exploration licenses (reconnaissance license, prospecting license, or mining lease). In order to obtain these licenses from the Minerals Commission, the local government authorities and traditional leaders in a proposed license area are consulted for comment on the application by a mining company. The comments received may be positive or negative. If negative comments are received NGGL External Affairs community outreach workers consult local officials and traditional and community leaders to determine the issues and concerns of negative comments. Through this process questions are answered and understanding developed that in most cases results in approval of a license. NGGL is committed to initial and ongoing engagement to continuously be aware of whether there is ongoing support for the presence and operations of NGGL. Most NGGL External Affairs personnel are bilingual (*Twi* and English) which allow them to facilitate consultation activities.

Once NGGL geologists define the exploration program for a given area, NGGL External Affairs and exploration teams contact local traditional authorities. NGGL personnel first meet with the Paramount Chief and then the local chief and his council and/or the local Chief Farmer in the potential working areas to explain exploration activities and time frames. Copies of this Guide will be distributed in the community and chiefs' offices in the stools affected when an area is identified for exploration work.

Once NGGL receives acceptance from traditional authorities and general community leaders that work in the area should proceed, the Exploration and Community Outreach teams interact directly with local farmers to provide timely responses to questions and/or complaints. Crop compensation rates, which are negotiated by the Crop Compensation Review Committee annually, are the basis for the crop assessment. Development of access routes and other areas which will be disturbed are reviewed and appropriate consultation is undertaken with farmers to avoid crops/fields to reach a mutually agreeable result. Disturbing the ground and/or the crops is avoided until crop assessment is completed with each farmer with the end result being a signed agreements by farmers called a "chit" at which time work can proceed and crops compensated.(Figure 3).

NGGL community outreach workers are responsible for ensuring farmers have received compensation. The Exploration Team is responsible for land rehabilitation as required per accepted standards. Farmers are involved, as far as practicable, through each part of the process including rehabilitation of the land, which provides continuous engagement opportunities and enhances improvement of the procedure.



CROP COMPENSATION CHIT

NAME OF FARMER.....
VILLAGE.....
PROJECT AREA.....
FARM NO.....
DATE.....

No. 0020440

CROP	SIZE	QTY	REMARKS
PLANTAIN			
CASSAVA			
COCOYAM			
MAIZE			
PALM(LC)			
PALM(AG)			
ORANGE			
AVOCADO			
BANANA			
PAWPAW			
YAM			
MANGO			
PINEAPPLE			
COCOA			
KOLA			
LABOUR			
TICK TREE			
CASHEW NUTS			

OFFICER:.....

CHIEF FARMER.....

FARMER.....



V. ELIGIBILITY AND ENTITLEMENTS

Temporary impacts to land may occur during mining exploration. Exploration often requires access across cropped land to reach drill pad locations. Exploration activities are not expected to have permanent impacts because farmers are not physically displaced, and the land is rehabilitated after exploration activities are complete. Displacement is on the order of weeks and is typically less than two months. Drill pads and cut lines are rehabilitated if not needed for ongoing project development.

Access routes are not rehabilitated if the farmer and local community request they be left open. Appropriate compensation is paid for crops destroyed by NGGL exploration and geotechnical surveyors and/or drillers.

COMPENSATION FOR TEMPORARY IMPACTS

Impact	Cash Compensation	Reclamation
Damage to access routes or land	None	Access repaired/land rehabilitated.
Loss of crops	Cash compensation at agreed negotiated rates	Land rehabilitated and prepared for planting

Compensation rates for crops destroyed by NGGL exploration activities are negotiated and agreed between NGGL and a Crop Compensation Review Committee composed of:

- District Assemblymen;
- Chiefs or their representatives;
- Chief Farmers;
- Affected farmers;
- Representatives of local hamlets, cottages, villages, and towns within the concession;
- Regional and District Government representatives, including the Ministry of Agriculture, Land Valuation Board, Office of the Administrator of Stool Lands, and the Lands Commission; and
- Representatives of local NGOs, including Guards of the Earth and Actionaid.

Agreed negotiated crop compensation rates reflect market prices, costs of production, and other factors such as maturity of the crop. Mature crops are valued at a higher rate than medium, small, and seedlings. For example in 2005, a mature cocoa tree was compensated at 69,300 Cedis (¢) while an individual seedling was valued at ¢6,930. A mature maize plant was compensated at ¢1,386 while a seedling was compensated at ¢275. Crop values are also assessed on an area acre rate if a specific crop covers a larger area (i.e. crops are in pure

stand). Compensation for an acre of mature palm oil trees was ₵9,009,000, while an acre of seedlings was eligible for ₵1,650,000. Compensation for vegetable crops such as tomatoes and onions are negotiated on site directly with the farmer due to the variable nature of how these crops are planted and mature. With the results of the crop survey/assessment, compensation



for a given field can be calculated using either unit or area rates. The area acre rates, which are negotiated each year, reflect standard crop density recommendations from the Ministry of Food and Agriculture. The decision to use unit rates or acre rates is made by the NGGL crop surveyor/assessor in the field based on whether a crop is considered to be a main crop of the field or based on the density of the planted crop. The reasons for using an acre rate or unit rate are discussed with the farmer and Chief Farmer.

Example of replanting on an exploration site

Informal disclosure of Land Valuation Board-approved crop compensation rates which are applicable across Ghana reveal that NGGL is generally providing higher crop compensation rates than the government or other mining companies in Ghana. Crop compensation rates reviewed annually between NGGL and a Crop Compensation Review Committee to determine if prices, costs, and economic changes in the country warrant a change to the rates.

Crop compensation is paid directly to the affected farmer, (i.e., the planter/owner of the crop whether a landlord or tenant) in a one-time, lump-sum payment. Payees are responsible for sharing the compensation with others having a legitimate interest in the crop, including landlords, family members, sharecroppers, and caretakers. Payment is contingent upon sharing compensation among those with a legitimate interest, according to the terms of any caretaking and/or sharecropping contract. A grievance mechanism is in place to resolve disputes.

Land rehabilitation is an important part of the entitlement for exploration activities. After compensation agreements are in place and a farmer allows access for exploration activities, NGGL strips and stores the topsoil if the drill pad needs to be dozed to level it or provide a change to drainage. If leveling of the drill pad is not necessary then topsoil is not stripped. Upon completion of exploration and related activities rehabilitation of sites no longer needed for further project development is completed (i.e., plugging the bore hole, filling the sump, replacing topsoil [if stripped], and re-contouring the area to match surrounding topography). The farmer is then free to replant. Farmers are allowed to harvest or transplant crops in advance of site clearing operations, if practicable.



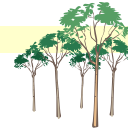
V. CROP COMPENSATION PROCESS

The NGGL Crop Compensation procedure is designed to ensure a uniform, systematic, and timely method of recording, approving, and paying for destruction of crops resulting from exploration and temporary access activities. The procedure is designed to ensure farmers are compensated an appropriate amount of cash for destruction of their crops. This procedure does not apply to the acquisition of land for mine development purposes, which will be covered in specific resettlement planning documents if NGGL reaches a decision to mine a specific area.

Compliance with the procedure described below will ensure maximum time between field assessments and compensation payment is 32-60 working days or less as shown in **Figure 4**.

FIGURE 4



**STEP 1. FIELD ASSESSMENT (5-15 WORKING DAYS)****A. Line Cutting**

- The NGGL Community Relations Officer goes to the community(s) in the area where exploration work will occur to inform and gain acceptance from traditional authorities, communities leaders, and Chief Farmers.
- Once an exploration work area has been identified, the NGGL Community Relations Officer visits all affected farmers to discuss the exploration process, compensation procedures, and provide reasonable notification before the Line Cutting Team arrives at the site.
- NGGL will avoid destruction of crops prior to completion of assessments and an agreement has been reached with the respective farmer for his/her crop.
- The Chief Farmer
 - Helps identify absentee farm owners
 - Monitors assessment of the type, number and age of destroyed crops which is conducted by the NGGL Community Relations Compensation Field Assistant and the farmer and then are entered onto a field chit (**Figure 3**).
- The field chit is signed by the Chief Farmer, NGGL Compensation Field Assistant, and farmer
- The NGGL Compensation Field Assistant submits the record (photographs of the field and crop may be taken under special circumstances, if necessary) of destroyed crops to the NGGL Compensation Officer.
- The NGGL Compensation Officer reviews the field chit and:
 - Approves, in which case the field chit is assigned a cost centre, signed off and passed to other personnel within the External Affairs Department for processing

OR

- Does not approve, in which case the NGGL Compensation Officer, Compensation Field Assistant, farmer and Chief Farmer reassess in the field and sign off.
- The NGGL Compensation Officer reviews the field chit, assigns a cost center, signs off, and forwards the field chit to other personnel within the External Affairs Department for processing

B. Access Roads and Drill Pad Preparation

- The NGGL Community Relations Compensation Field Assistant and Chief Farmer locate and inform the farmer whose crop/farm may be affected and the date when surface disturbance will occur.
- The NGGL Compensation Field Assistant, farmer, and Chief Farmer measure crop(s) that will be destroyed. **NOTE:** No assessment can occur in the absence of the affected farmer or their nominated representative or until all reasonable effort has been made to locate a farmer. If the crop owner can not be located after all reasonable effort is made, the Chief Farmer may act on behalf of the farmer for the assessment.



- When agreement is reached, the number of destroyed crops are recorded on the field chit
- Farmer, Chief Farmer, and NGGL Compensation Field Assistant sign the field chit
- A copy of the field chit is given to farmer
- The NGGL Compensation Field Assistant submits field chit to the NGGL Compensation Officer
- The NGGL Compensation Officer reviews the field chit, assigns a cost center, signs off, and forwards the field chit to other personnel in the External Affairs Department for processing.

STEP 2. PROCESSING FOR PAYMENT - COMMUNITY RELATIONS (10-15 WORKING DAYS)



- Using annual agreed upon crop compensation rates, the Database Officers calculate the payment due each farmer and the total cash required for compensation payment
- Database Officers verify and sign off on payment certificates and forward to the Community Relations Superintendent for authorization
- After authorization, the Community Relations Superintendent passes payment certificates to the External Affairs Manager for approval.



STEP 3. PROCESSING FOR PAYMENT - ACCOUNTS (10-20 WORKING DAYS)

- The Database Officers prepare the cash call documentation with approval from the External Affairs Manager and forwards the approved cash call to Accounts
- The Accounts Department processes the cash call and notifies the NGGL banker of the value to be transferred to the farmer's bank via the APEX banking system
- The NGGL banker transfers the funds. Through a regular follow-up with the NGGL banker, the Accra and Ahafo accounting staffs ascertain the transfer has been completed to the bank allowing payment to the farmers.



STEP 4. PAYMENT (7-10 WORKING DAYS)

- The bank that disburses payment to the farmers notifies the Site Administrator that funds have cleared and the cash is available
- The Community Relations Officer posts a list of payees in each community. In many instances, payees are directly informed by Community Relations Office Assistants.
- The Community Relations Department issues payment chits to payees
- Farmers receive payment from the bank where the money is transferred, usually a rural or local bank.



STEP 5. MONITORING

NGGL Community Relations community outreach workers are responsible for ensuring farmers have received compensation. The Exploration team is responsible for land rehabilitation as required and per accepted standards. Farmers are involved, as far as practicable through each part of the process, including rehabilitation of disturbed areas. The NGGL procedure provides continuous engagement opportunities designed to elicit the opinion of the farmer about the process and thereby improve the procedure.



The Crop Compensation Chit is the written record of the crop inventory which has been signed by the farmer indicating their satisfaction with the amount of compensation received; these records are maintained at the External Affairs Office. The crop compensation procedure allows NGGL to track the number of farmers affected each year, by specific area.

NGGL will maintain up-to-date records of key indicators, which will be summarized in an annual report. Key indicators may include:

- Extent of exploration activities noting location, duration, specific activities;
- Total number of farmers contacted;
- Total number of farmers compensated; and
- Total amount of compensation paid for exploration activities.

NGGL will estimate the value of positive impacts that may occur such as local procurement or services and document the number of access roads which the community requests be left open. The annual report will also include a record of all significant complaints or incidents associated with exploration activities and the response.

VI. GRIEVANCE PROCESS

NGGL adheres to Newmont's corporate policy of facilitating expression by stakeholders of questions and concerns regarding exploration and crop compensation processes. The purpose of the process is to ensure that grievances from local residents are appropriately addressed and complainants can see the outcome of the issue. Complaints specific to the compensation process are handled according to the grievance procedure described below:

Newmont

*"... aims to engage, as much as possible, with local communities to ensure interactions are relevant, conflicts are resolved quickly and to the mutual benefit of both parties and in such a way that stakeholders feel positive about their involvement with the Company."
(www.newmont.com, 2004)*

STEP 1. FACE TO FACE DISCUSSIONS

- NGGL External Affairs Department personnel arrange a face-to-face discussion with the complainant.
- Most grievances are heard and resolved in the presence of family members or other "witnesses" Agreement is normally reached or 'proved' without the complainant continuing to another forum.



- NGGL staff routinely seek advice and, where appropriate, intervention of Chief Farmers and traditional authorities to assist in resolving disputes.

STEP 2. RESPONSE TIME

- Except in complex cases where additional investigation or involvement of third parties is required, NGGL responds to written grievances within 30 days.
- Responses generally include a settlement proposal and are documented via a written response.

STEP 3. APPEAL TO THE COURT

- NGGL uses binding arbitration as the preferred method to resolve disputes. If a farmer is not satisfied with the solution proposed by NGGL, the farmer has the right to first utilize the Ghanaian Commission for Human Rights and Administrative Justice (CHRAJ). CHRAJ will provide a hearing venue for the farmer and NGGL to explain both points of view. CHRAJ may listen to witnesses and conduct field visits in an attempt to understand fully the complaint and the differing points of view. Following a thorough hearing of the case, CHRAJ documents the findings and recommendations in a report which is available to the farmer and NGGL. From the report either the farmer or NGGL may change their position based on the recommendations.
- If CHRAJ and all other grievance resolution methods fail, Ghanaian citizens and legal entities have recourse through the courts in conformance with applicable laws.
- Grievances of a legal nature are forwarded to NGGL's Legal Department in Accra for redress. Responses/settlements are coordinated through the onsite External Affairs Department.



A local woman on her way to her farm field



Newmont's December 2003 Investment Agreement with the Government of Ghana details a compensation and dispute resolution protocol. Paragraph 18.1c states:

“(Newmont), the Government, and any owner or other lawful occupier of affected and, in addition to any other right or remedy granted by Law, shall each have the right to refer any disputed matter relating to compensation under this Agreement or under any Law for resolution by binding arbitration to be conducted in Ghana by not more than three arbitrators agreed upon by the parties to such arbitration or, failing agreement, then jointly chosen by the Minister and the principal officer of the Chamber of Mines of Ghana. The arbitrators shall be Persons trained in the common law tradition, but need not be citizens of Ghana. Their decision shall be based upon the laws of Ghana and the terms of this Agreement, shall be final and binding, and shall not be subject to appeal to any court except on the grounds of fraud or dishonesty by the arbitrators, or that they have decided matters beyond the scope of the authority granted in this Agreement. Any award made to the lawful occupier of land shall fully offset any claim asserted by the owner of the affected land against (Newmont). Any award made to an owner of land shall foreclose any claim against (Newmont) on the part of a lawful occupier of that same land.”