

Newmont Exec: Individuals suffering In Indonesian Probe

By Heather Draper DOW JONES NEWSWIRES March 23, 2005

DENVER—American Bill Long wants to put a human face on the ongoing legal disputes between Newmont Mining Corp. (NEM) and the Indonesian government.

Long, an 18-year employee of Newmont and now the general manager of its Minahasa mine, spent 32 nights sleeping on a cement floor in a rat-infested jail in Jakarta starting last September over pollution allegations he says aren't true.

And Long, 58, fears that he could be headed back to an Indonesian jail, possibly for 15 years.

"There is a personal side to this," Long told Dow Jones Newswires late Wednesday in a phone interview from Indonesia. "It angers me very much."

Long said reading the media accounts of the legal battles it would appear that "most perceive it as an issue between the Indonesian government and Newmont.

"The real fact of the matter is that six of us individuals and our families are squeezed in between all of this," he said.

Long and five of his Newmont colleagues in Indonesia are facing criminal charges over pollution allegations at the Minahasa mine on the island of Sulawesi. None of the six have been formally charged with anything, Long's lawyer, Rick Kornfeld, noted.

Newmont, the world's largest gold producer, has been embroiled in months of controversy over the Minahasa gold mine, which was opened in 1996 by its 80%-owned subsidiary, PT Newmont Minahasa Raya. The accusations focus on the company's practice of dumping treated waste from the mine into a nearby bay.

A recent Indonesian government report found that sediment in the bay has high levels of heavy metals, including mercury and arsenic.

Denver-based Newmont has said the elements are there but in a stable form and pose no threat to the water, fish or the health of nearby residents.

Long is emphatic that he, his colleagues and Newmont have done nothing wrong.

And his lawyer, Kornfeld, said it's been like "tilting at windmills" to figure out how the legal process in the case has been working.

Not only did Long spend more than a month in jail over something he hasn't been formally charged with, but he and the five other Newmont executives—American Rick Ness, Australian Phil Turner, and Indonesians David Sompie, Jerry Kojansow and Putra Wijayantri—have been banned from leaving the country since September.

Long can't see his wife and children, who he had leave Indonesia early into the investigation so they wouldn't be under the government scrutiny he's been under, he said.

The Longs couldn't spend Christmas together, which was even more significant last year because Long and his wife had lost their seven-year-old son to brain cancer in March 2004.

"This past Christmas was the first Christmas we should have been together since his death," Long said.

"I think it's horrific that a society and a government can prevent us from that kind of thing," he said. "The impacts of this go far beyond just the travel ban."

Long said he's been told the Indonesian police are monitoring airline manifests and "watching our movements. They watch the hotel, they call our houses at odd hours of the day and night, they talk to employees and ask where we are. There's no freedom of movement."

He said if anyone had told him a year ago that he'd spend more than month in jail, "I'd have told them they were crazy."

"To be locked up in a jail in a third-world country, it's hard to imagine," Long said. "Sitting half a world away, I don't think the full significance hit everybody (back at Newmont's Denver headquarters)."

He said ex-patriate and Indonesian friends who came to visit the executives in jail in September would often cry over the conditions they were in.

"They were appalled to see us in that condition, particularly since they knew we didn't do anything wrong."

He realizes there is some risk involved in talking to the media about his experience, but he thinks it's important to tell the side of the story that hasn't been made public.

"I don't want to be reckless, but I think you have to let the world know... there is an issue going on here and it's a great travesty," Long said.

"Every morning when you wake up you think it might be your last day of freedom," Long said. "It's very frustrating and very frightening."

The Indonesia police have completed their investigation into the allegations and are scheduled to formally hand the case to prosecutors next Tuesday.

The Newmont executives are accused of, but not charged with, corporate crimes in connection with the alleged pollution. If found guilty, they could face up to 15 years in jail.

Newmont stopped mining two years ago at the Sulawesi site, 1,300 miles northeast of Jakarta, after extracting all the gold there that it could. It kept processing ore there until Aug. 31, when the mine was permanently shut.

Long's job is to oversee the clean-up of the site.

If you are in need of an experienced business litigator or criminal defense attorney, please call Recht & Kornfeld today.

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