

NEWMONT MINING CORP /DE/

FORM 8-K (Current report filing)

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| Telephone | 303-863-7414 |
| CIK | 0001164727 |
| Symbol | NEM |
| SIC Code | 1040 - Gold And Silver Ores |
| Industry | Gold & Silver |
| Sector | Basic Materials |
| Fiscal Year | 12/31 |

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported):

February 19, 2009

Newmont Mining Corporation

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of Incorporation)

001-31240

(Commission File Number)

84-1611629

(I.R.S. Employer Identification No.)

1700 Lincoln Street, Denver, Colorado 80203

(Address of principal executive offices) (zip code)

(303) 863-7414

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On February 19, 2009, Newmont Mining Corporation, a Delaware corporation, issued a news release reporting its financial results for the quarter ended and year ended December 31, 2008. A copy of the news release is furnished as Exhibit 99.1 to this report.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

| Exhibit Number | Description of Exhibit |
|----------------|--------------------------------------|
| 99.1 | News Release dated February 19, 2009 |

EXHIBIT INDEX

| Exhibit Number | Description of Exhibit |
|----------------|--------------------------------------|
| 99.1 | News Release dated February 19, 2009 |



For Immediate Release

Newmont Reports Record Annual Revenues in 2008 of \$6.2 Billion; 50% Increase in Adjusted Net Income ⁽¹⁾

DENVER, February 19, 2009 – Newmont Mining Corporation (NYSE: NEM) (“Newmont” or “the Company”) today announced record revenues in 2008, following the announcement of strong operating results on January 27, 2009.

2008 Highlights:

- Record revenues of approximately \$6.2 billion on equity gold sales of 5.2 million ounces;
- Net cash from continuing operations of approximately \$1.4 billion (\$3.09 per share);
- 50% increase in adjusted net income ⁽¹⁾ at \$905 million (\$1.99 per share) on a 25% increase in the average realized gold price;
- 40% increase in gold operating margin ⁽²⁾ despite challenging cost environment;
- Equity gold sales, costs applicable to sales per ounce and capital expenditures in line with original expectations;
- Successful start-up of the Nevada power plant and Yanacocha gold mill in the second quarter;
- Successful acquisition of Miramar Mining Corporation, gaining access to the high-grade and under-explored Hope Bay project in Nunavut, Canada; and
- Continued progress of the Boddington project, with start-up expected in mid-2009.

Newmont reported 2008 revenues of approximately \$6.2 billion, a 12% increase from approximately \$5.5 billion in 2007, with revenues from gold increasing by almost 27% over prior year. A strong gold price environment during 2008, combined with equity gold sales and costs applicable to sales in line with original expectations, resulted in adjusted net income ⁽¹⁾ of \$905 million (\$1.99 per share), an increase of approximately 50% from the prior year. On a GAAP basis, including a \$234 million non-cash, pre-tax write-down of marketable securities and other assets, the Company reported net income of \$853 million (\$1.88 per share). The Company also reported net cash provided from continuing operations of approximately \$1.4 billion (\$3.09 per share) despite the challenging cost environment in 2008.

For the fourth quarter, the Company generated net cash provided from continuing operations of \$229 million (\$0.50 per share) on equity gold and copper sales of 1.35 million ounces and 40 million pounds, respectively. Newmont recorded adjusted net income ⁽¹⁾ of \$120 million (\$0.26 per share) despite reduced copper revenues resulting from the pronounced decline in the copper price in the fourth quarter. Including the effect of provisional mark-to-market copper price adjustments and non-cash, pre-tax write-downs of approximately \$145 million, the Company reported fourth quarter net income on a GAAP basis of \$10 million (\$0.02 per share).

⁽¹⁾ See reconciliation from Adjusted net income to GAAP Net income on page 10 of this earnings release.

⁽²⁾ “Gold operating margin” defined as average realized price per ounce less costs applicable to sales per ounce, excluding amortization and accretion.

Richard O'Brien, President and Chief Executive Officer said, "We are pleased with the strong financial results for the fourth quarter and for 2008. These results, combined with the operating results previously announced, continue to demonstrate our commitment to consistently delivering on our plans. In the first part of 2009, we secured \$1.7 billion in additional liquidity to improve our financial flexibility and to purchase the remaining 33.33% interest in Boddington, thereby giving Newmont full access to one of the largest gold projects in the world. We are excited about Boddington's potential and look forward to capitalizing on this unique opportunity. As we turn our attention to 2009, our focus remains on operational and project execution, as well as disciplined capital investments."

Equity gold sales in 2009 are expected to increase to between **5.2 and 5.5 million ounces** at lower costs applicable to sales of between **\$400 and \$440 per ounce**. The Company's costs applicable to sales for 2009 assumes an oil price of \$70 per barrel and an Australian dollar exchange rate of 0.75. Costs applicable to sales in 2009 are expected to change by approximately \$5 per ounce for every \$10 change in the oil price and by approximately \$5 per ounce for every 0.10 change in the Australian dollar exchange rate. However, as the Company continues to pursue its disciplined Australian dollar and diesel hedging programs, these sensitivities may change throughout the year.

Regional Operations:

In the fourth quarter of 2008, the Company reported equity gold sales of **1.35 million ounces** at costs applicable to sales of **\$448 per ounce** as higher than expected sales at Batu Hijau, Ahafo, and Yanacocha were partially offset by lower than expected sales in Nevada and in Australia. The Company's fourth quarter costs applicable to sales per ounce were impacted by higher than expected costs in Nevada, offset by lower than expected costs in Australia, at Yanacocha and at Ahafo.

Nevada - Nevada sold **601,000 equity ounces** of gold at costs applicable to sales of **\$497 per ounce** during the fourth quarter. Equity sales were slightly lower than expected primarily due to slower than anticipated recoveries from the Carlin South and Twin Creeks leach pads, lower recoveries at the Phoenix and Carlin mills, and the timing of gold sales with respect to Phoenix copper concentrates which remained in inventory at the end of the year. Lower sales were partially offset by higher grades resulting from higher underground production. Costs applicable to sales during the fourth quarter were higher than expected primarily due to lower than expected gold sales, higher underground contracted mining costs and lower by-product credits due to the significant drop in copper prices and volumes, partially offset by lower diesel costs. Equity sales for the year were **2.2 million ounces** at costs applicable to sales of **\$460 per ounce**.

In 2009, the Company expects equity gold sales in Nevada to be between **1.8 and 2.0 million ounces** primarily due to lower expected ore grades, fewer oxide leach pad additions, and lower assumed recoveries at Mill 6. Costs applicable to sales are expected to increase to between **\$535 and \$575 per ounce**, primarily due to reduced gold sales and lower assumed copper by-product credits at Phoenix, partially offset by the lower oil price assumption and a full-year of operation of the Nevada power plant.

Yanacocha - Equity gold sales during the fourth quarter at Yanacocha in Peru were **222,000 ounces** at costs applicable to sales of **\$344 per ounce**. Equity sales were above expectations due to more ounces placed on the La Quinua and Carachugo leach pads, and higher than expected production from the gold mill as throughput, grades and recoveries continue to exceed expectations. Yanacocha costs applicable to sales per ounce were lower than expected primarily due to higher than expected gold sales, partially offset by lower by-product silver credits due to lower silver prices, higher workers participation costs and higher royalty expense. Equity gold sales for 2008 were **946,000 ounces** at costs applicable to sales of **\$346 per ounce**.

The Company's 2009 equity gold sales outlook for Yanacocha has increased to between **975,000 and 1.025 million ounces**, primarily due to increased recoveries and throughput as the gold mill will be operational for the entire year compared to approximately half of a year of operation in 2008. Costs applicable to sales are expected to decrease to between **\$290 and \$310 per ounce**, primarily due to increased gold sales, the lower oil price assumption and increased silver by-product credits from the gold mill.

Australia/New Zealand - Equity gold sales during the fourth quarter in the Australia/New Zealand region were **288,000 ounces** at costs applicable to sales of **\$526 per ounce** . Equity gold sales were lower than expected due to lower grades and throughput at Tanami, lower throughput at Jundee, and lower grades and recoveries at Kalgoorlie, partially offset by higher grades and recoveries at Jundee, and higher throughput at Kalgoorlie and Waihi. Costs applicable to sales were significantly lower than expected due to higher sales at Jundee, lower diesel costs and more favorable Australian dollar exchange rates during the quarter, partially offset by higher underground mining contracted services and royalty costs at Tanami. Equity gold sales for the year were **1.2 million ounces** at costs applicable to sales of **\$552 per ounce** .

Assuming 100% ownership of the Boddington project, reflecting the expected completion of the acquisition of the remaining 33.33% interest from AngloGold Ashanti Ltd., the Company expects 2009 equity gold sales in the Australia/New Zealand region to be between **1.5 and 1.6 million ounces** . The Company anticipates Boddington will add between 375,000 and 450,000 equity gold ounces in 2009. Costs applicable to sales are expected to decrease to between **\$440 and \$480 per ounce** , primarily driven by the start-up of Boddington, lower costs at the Kalgoorlie operation, and the lower oil price and Australian dollar assumptions. Australia/New Zealand regional costs applicable to sales are expected to change by roughly \$20 per ounce for every 0.10 change in the Australia dollar exchange rate during 2009.

Batu Hijau - Equity gold and copper sales during the fourth quarter at Batu Hijau in Indonesia were **52,000 ounces** and **40 million pounds** , respectively, at costs applicable to sales of **\$418 per ounce** and **\$0.65 per pound** , respectively. Equity gold and copper sales were higher than expected as better than anticipated weather allowed extended mining of Phase 4 ore, resulting in higher grades and recoveries. Total costs applicable to sales were lower than expectations as fewer total tons were moved and more ore was placed onto stockpiles. Equity gold and copper sales for the year were **135,000 ounces** and **130 million pounds** , respectively, at costs applicable to sales of **\$414 per ounce** and **\$1.38 per pound** , respectively.

In 2009, the Company expects equity gold and copper sales to significantly increase to between **225,000 and 250,000 ounces** and to between **210 and 230 million pounds** , respectively. This increase is primarily due to mine sequencing as mining shifts into the higher grade Phase 5. Costs applicable to sales are expected to decrease significantly in 2009 to between **\$240 and \$260 per ounce** of gold and to between **\$0.65 and \$0.75 per pound** of copper. The decrease in costs applicable to sales is primarily driven by higher expected sales, the processing of higher grade ore compared to the lower grade stockpiles processed during 2008 and lower waste removal.

Ahafo - Equity gold sales during the fourth quarter at Ahafo in Ghana were **141,000 ounces** at costs applicable to sales of **\$385 per ounce** . Equity gold sales were higher than anticipated primarily due to higher grades, partially offset by lower tons processed. Costs applicable to sales were significantly lower than expected due to the higher sales volume, a build in ore stockpile inventories, and lower mining costs due in part to lower fuel costs, offset by higher contracted services, maintenance and parts costs. Equity gold sales for the year were **521,000 ounces** at costs applicable to sales of **\$408 per ounce** .

Equity gold sales at Ahafo are expected to remain stable in 2009 at between **500,000 and 525,000 ounces** . Costs applicable to sales are expected to increase to between **\$450 and \$475 per ounce** in 2009, primarily as a result of higher labor costs, a lower benefit from the capitalization of waste material used in the construction of assets, and higher fuel consumption.

Capital Update:

Capital expenditures were \$520 million during the fourth quarter, with approximately 40% attributed to the Boddington project in Australia. In 2008, the Company's capital expenditures were approximately \$1.9 billion, as the Company completed construction of the Nevada power plant and Yanacocha gold mill, and continued construction of the Boddington project in Australia. Assuming 100% ownership of Boddington in 2009, capital expenditures are expected to decline to between **\$1.4 and \$1.6 billion (\$1.3 to \$1.5 billion on an equity basis)**.



Boddington - Development of the Boddington project was 89% complete at the end of 2008, with start-up expected in mid-2009 and an anticipated 12-month ramp-up schedule. The Company continues to expect total capital expenditures of between \$2.6 and \$2.9 billion on a 100% basis. Assuming the completion of the previously announced acquisition of AngloGold Ashanti Ltd.'s 33.33% interest in the Boddington project, the Company expects average annual gold sales of approximately one million ounces at costs applicable to sales of approximately \$300 per ounce (net of by-product credits) for the first five years of operation.

Exploration:

For 2009, the Company has budgeted exploration spending of approximately **\$165 to \$175 million**, focusing the majority of spending on sulfide targets at Yanacocha in Peru, and on reserve and non-reserve mineralization conversion in Nevada, at Hope Bay in Canada, Ahafo in Ghana, Tanami in Australia and Yanacocha in Peru. Greenfields exploration will focus on selected land positions in South America, North America, West Africa and the Asia Pacific region building on the encouraging results from those areas in 2008. The Company will continue to advance the Hope Bay project in Canada and the Gold Quarry West Wall layback in Nevada, in addition to recent greenfield discoveries in Armenia and Australia.

Statements of Consolidated Income (Loss)

| | Three Months Ended December 31, | | Twelve Months Ended December 31, | |
|--|--|------------------|----------------------------------|-------------------|
| | 2008 | 2007 | 2008 | 2007 |
| | (unaudited, in millions, except per share) | | | |
| Revenues | | | | |
| Sales - gold, net | \$ 1,295 | \$ 1,289 | \$ 5,447 | \$ 4,305 |
| Sales - copper, net | 47 | 121 | 752 | 1,221 |
| | <u>1,342</u> | <u>1,410</u> | <u>6,199</u> | <u>5,526</u> |
| Costs and expenses | | | | |
| Costs applicable to sales - gold ⁽¹⁾ | 727 | 601 | 2,745 | 2,404 |
| Costs applicable to sales - copper ⁽²⁾ | 57 | 94 | 399 | 450 |
| Loss on settlement of price-capped forward sales contracts | - | - | - | 531 |
| Midas redevelopment | - | 1 | - | 11 |
| Amortization | 192 | 163 | 747 | 695 |
| Accretion | 7 | 6 | 32 | 29 |
| Exploration | 59 | 45 | 214 | 177 |
| Advanced projects, research and development | 52 | 17 | 166 | 62 |
| General and administrative | 41 | 38 | 144 | 142 |
| Write-down of goodwill | - | 1,122 | - | 1,122 |
| Write-down of property, plant and mine development | 137 | 10 | 137 | 10 |
| Other expense, net | 106 | 76 | 360 | 246 |
| | <u>1,378</u> | <u>2,173</u> | <u>4,944</u> | <u>5,879</u> |
| Other income (expense) | | | | |
| Other income, net | 23 | 6 | 123 | 106 |
| Interest expense, net of capitalized interest | (29) | (28) | (102) | (105) |
| | <u>(6)</u> | <u>(22)</u> | <u>21</u> | <u>1</u> |
| (Loss) income from continuing operations before income tax, minority interest and equity income (loss) of affiliates | (42) | (785) | 1,276 | (352) |
| Income tax benefit (expense) | 88 | (89) | (113) | (200) |
| Minority interest in income of consolidated subsidiaries | (38) | (58) | (329) | (410) |
| Equity income (loss) of affiliates | 1 | (1) | (5) | (1) |
| Income (loss) from continuing operations | 9 | (933) | 829 | (963) |
| Income (loss) from discontinued operations | 1 | 644 | 24 | (923) |
| Net income (loss) | <u>\$ 10</u> | <u>\$ (289)</u> | <u>\$ 853</u> | <u>\$ (1,886)</u> |
| Income (loss) per common share | | | | |
| Basic: | | | | |
| Income (loss) from continuing operations | \$ 0.02 | \$ (2.06) | \$ 1.83 | \$ (2.13) |
| Income (loss) from discontinued operations | - | 1.43 | 0.05 | (2.04) |
| Net income (loss) | <u>\$ 0.02</u> | <u>\$ (0.63)</u> | <u>\$ 1.88</u> | <u>\$ (4.17)</u> |
| Diluted: | | | | |
| Income (loss) from continuing operations | \$ 0.02 | \$ (2.06) | \$ 1.82 | \$ (2.13) |
| Income (loss) from discontinued operations | - | 1.43 | 0.05 | (2.04) |
| Net income (loss) | <u>\$ 0.02</u> | <u>\$ (0.63)</u> | <u>\$ 1.87</u> | <u>\$ (4.17)</u> |
| Basic weighted-average common shares outstanding | <u>454</u> | <u>452</u> | <u>454</u> | <u>452</u> |
| Diluted weighted-average common shares outstanding | <u>455</u> | <u>452</u> | <u>455</u> | <u>452</u> |
| Cash dividends declared per common share | <u>\$ 0.10</u> | <u>\$ 0.10</u> | <u>\$ 0.40</u> | <u>\$ 0.40</u> |

(1) Exclusive of Loss on settlement of price-capped forward sales contracts, Midas redevelopment, Amortization and Accretion.

(2) Exclusive of Amortization and Accretion.

The Company's financial statements can be found on its website at www.newmont.com.



Consolidated Balance Sheets

| | At December 31, 2008 | At December 31, 2007 |
|--|----------------------------|----------------------------|
| | (audited, in millions) | |
| ASSETS | | |
| Cash and cash equivalents | \$ 435 | \$ 1,231 |
| Marketable securities and other short-term investments | 12 | 61 |
| Trade receivables | 104 | 177 |
| Accounts receivable | 223 | 168 |
| Inventories | 519 | 463 |
| Stockpiles and ore on leach pads | 324 | 373 |
| Deferred income tax assets | 286 | 112 |
| Other current assets | 458 | 87 |
| Current assets | 2,361 | 2,672 |
| Property, plant and mine development, net | 10,132 | 9,140 |
| Investments | 655 | 1,531 |
| Stockpiles and ore on leach pads | 1,145 | 788 |
| Deferred income tax assets | 1,145 | 1,027 |
| Other long-term assets | 213 | 230 |
| Goodwill | 188 | 186 |
| Assets of operations held for sale | - | 24 |
| Total assets | <u>\$ 15,839</u> | <u>\$ 15,598</u> |
| LIABILITIES | | |
| Current portion of long-term debt | \$ 169 | \$ 255 |
| Accounts payable | 412 | 339 |
| Employee-related benefits | 178 | 153 |
| Income and mining taxes | 58 | 88 |
| Other current liabilities | 779 | 665 |
| Current liabilities | 1,596 | 1,500 |
| Long-term debt | 3,373 | 2,683 |
| Reclamation and remediation liabilities | 716 | 623 |
| Deferred income tax liabilities | 1,051 | 1,025 |
| Employee-related benefits | 379 | 226 |
| Other long-term liabilities | 252 | 150 |
| Liabilities of operations held for sale | - | 394 |
| Total liabilities | <u>7,367</u> | <u>6,601</u> |
| Minority interests in subsidiaries | 1,370 | 1,449 |
| STOCKHOLDERS' EQUITY | | |
| Common stock | 709 | 696 |
| Additional paid-in capital | 6,639 | 6,696 |
| Accumulated other comprehensive (loss) income | (253) | 957 |
| Retained earnings (deficit) | 7 | (801) |
| Total stockholders' equity | <u>7,102</u> | <u>7,548</u> |
| Total liabilities and stockholders' equity | <u>\$ 15,839</u> | <u>\$ 15,598</u> |

The Company's financial statements can be found on its website at www.newmont.com.

Statements of Consolidated Cash Flows

| | Three Months Ended December 31, | | Twelve Months Ended December 31, | |
|--|---------------------------------|----------|----------------------------------|------------|
| | 2008 | 2007 | 2008 | 2007 |
| | (in millions) | | | |
| | (unaudited) | | (audited) | |
| Operating activities: | | | | |
| Net income (loss) | \$ 10 | \$ (289) | \$ 853 | \$ (1,886) |
| Adjustments to reconcile net income (loss) to net cash from continuing operations: | | | | |
| Amortization | 192 | 163 | 747 | 695 |
| Minority interest in income of consolidated subsidiaries | 38 | 58 | 329 | 410 |
| Deferred income taxes | (86) | 116 | (300) | (152) |
| Write-down of investments | 24 | 46 | 114 | 46 |
| Write-down of property, plant and mine development | 134 | 9 | 137 | 10 |
| Gain on asset sales, net | (2) | (3) | (72) | (16) |
| Reclamation estimate revisions | 28 | 11 | 102 | 29 |
| Stock based compensation and other benefits | 12 | 10 | 50 | 46 |
| Accretion of accumulated reclamation obligations | 10 | 8 | 42 | 37 |
| (Income) loss from discontinued operations | (1) | (644) | (24) | 923 |
| Hedge gain, net | (1) | - | (9) | (9) |
| Write-down of goodwill | - | 1,122 | - | 1,122 |
| Other operating adjustments and write-downs | 10 | (7) | 76 | 25 |
| Net change in operating assets and liabilities | (139) | 30 | (642) | (755) |
| Net cash provided from continuing operations | 229 | 630 | 1,403 | 525 |
| Net cash provided from (used in) discontinued operations | - | 40 | (111) | 138 |
| Net cash provided from operations | 229 | 670 | 1,292 | 663 |
| Investing activities: | | | | |
| Additions to property, plant and mine development | (520) | (513) | (1,875) | (1,672) |
| Proceeds from sale of marketable debt and equity securities | - | 16 | 50 | 224 |
| Investments in marketable debt and equity securities | - | (18) | (17) | (258) |
| Acquisitions, net | - | (953) | (325) | (953) |
| Cash received on repayment of Batu Hijau carried interest | - | - | - | 161 |
| Other | (9) | 6 | 16 | 31 |
| Net cash used in investing activities of continuing operations | (529) | (1,462) | (2,151) | (2,467) |
| Net cash provided from (used in) investing activities of discontinued operations | - | 1,200 | (6) | 1,354 |
| Net cash used in investing activities | (529) | (262) | (2,157) | (1,113) |
| Financing activities: | | | | |
| Proceeds from debt, net | 2,277 | 280 | 5,078 | 3,008 |
| Repayment of debt | (2,235) | (385) | (4,487) | (2,036) |
| Dividends paid to minority interests | (142) | (154) | (389) | (270) |
| Dividends paid to common stockholders | (46) | (45) | (182) | (181) |
| Proceeds from stock issuance | 2 | 31 | 29 | 51 |
| Purchase of Company share call options | - | - | - | (366) |
| Issuance of Company share warrants | - | - | - | 248 |
| Change in restricted cash and other | 55 | 4 | 74 | 11 |
| Net cash (used in) provided from financing activities | (89) | (269) | 123 | 465 |
| Effect of exchange rate changes on cash | (30) | 39 | (54) | 50 |
| Net change in cash and cash equivalents | (419) | 178 | (796) | 65 |
| Cash and cash equivalents at beginning of period | 854 | 1,053 | 1,231 | 1,166 |
| Cash and cash equivalents at end of period | \$ 435 | \$ 1,231 | \$ 435 | \$ 1,231 |

The Company's financial statements can be found on its website at www.newmont.com.

Sales Statistics

| | Three Months Ended December 31, | | Twelve Months Ended December 31, | |
|---|------------------------------------|--------------|-------------------------------------|--------------|
| | 2008 | 2007 | 2008 | 2007 |
| Gold | | | | |
| Consolidated ounces sold (thousands) | | | | |
| Nevada ⁽¹⁾ | 601 | 667 | 2,225 | 2,341 |
| Yanacocha | 433 | 438 | 1,843 | 1,565 |
| Australia/New Zealand | | | | |
| Jundee | 72 | 87 | 377 | 298 |
| Tanami | 89 | 103 | 365 | 439 |
| Kalgoorlie | 92 | 74 | 304 | 323 |
| Waihi | 35 | 31 | 141 | 93 |
| | <u>288</u> | <u>295</u> | <u>1,187</u> | <u>1,153</u> |
| Batu Hijau ⁽²⁾ | 114 | 120 | 299 | 494 |
| Africa | | | | |
| Ahafo ⁽³⁾ | 141 | 85 | 521 | 446 |
| Other | | | | |
| La Herradura | 24 | 22 | 95 | 86 |
| Kori Kollo | 21 | 21 | 85 | 87 |
| Golden Giant | - | - | - | 12 |
| | <u>45</u> | <u>43</u> | <u>180</u> | <u>185</u> |
| | <u>1,622</u> | <u>1,648</u> | <u>6,255</u> | <u>6,184</u> |
| Equity ounces sold (thousands) | | | | |
| Nevada ⁽¹⁾ | 601 | 667 | 2,225 | 2,341 |
| Yanacocha | 222 | 224 | 946 | 803 |
| Australia/New Zealand | | | | |
| Jundee | 72 | 87 | 377 | 298 |
| Tanami | 89 | 103 | 365 | 439 |
| Kalgoorlie | 92 | 74 | 304 | 323 |
| Waihi | 35 | 31 | 141 | 93 |
| | <u>288</u> | <u>295</u> | <u>1,187</u> | <u>1,153</u> |
| Batu Hijau ⁽²⁾ | 52 | 54 | 135 | 233 |
| Africa | | | | |
| Ahafo ⁽³⁾ | 141 | 85 | 521 | 446 |
| Other | | | | |
| La Herradura | 24 | 22 | 95 | 86 |
| Kori Kollo | 18 | 18 | 75 | 76 |
| Golden Giant | - | - | - | 12 |
| | <u>42</u> | <u>40</u> | <u>170</u> | <u>174</u> |
| | <u>1,346</u> | <u>1,365</u> | <u>5,184</u> | <u>5,150</u> |
| Discontinued Operations | | | | |
| Pajingo | - | 40 | - | 171 |
| | <u>1,346</u> | <u>1,405</u> | <u>5,184</u> | <u>5,321</u> |
| Copper | | | | |
| Batu Hijau pounds sold (millions) ⁽²⁾ | | | | |
| Consolidated | 89 | 76 | 290 | 428 |
| Equity | 40 | 34 | 130 | 204 |

⁽¹⁾ Includes incremental start-up ounces of 1 and 6 for the years ended December 31, 2008 and 2007, respectively.

⁽²⁾ Economic interest decreased to 45% from 52.875% on May 25, 2007.

⁽³⁾ Includes incremental start-up ounces of 19 for the year ended December 31, 2008.

This information and other detailed regional production statistics can be found in the Regional Operating Statistics section of the Company's website at www.newmont.com.



CAS and Capital Expenditures Statistics

| | Three Months Ended December 31, | | Twelve Months Ended December 31, | |
|--|------------------------------------|---------------|-------------------------------------|-----------------|
| | 2008 | 2007 | 2008 | 2007 |
| Gold | | | | |
| Costs Applicable to Sales (\$/ounce) ⁽¹⁾ | | | | |
| Nevada | \$ 497 | \$ 379 | \$ 460 | \$ 437 |
| Yanacocha | 344 | 278 | 346 | 313 |
| Australia/New Zealand | | | | |
| Jundee | 323 | 401 | 395 | 462 |
| Tanami | 655 | 428 | 604 | 413 |
| Kalgoorlie | 654 | 678 | 760 | 591 |
| Waihi | 275 | 393 | 390 | 451 |
| | <u>526</u> | <u>480</u> | <u>552</u> | <u>479</u> |
| Batu Hijau | 418 | 337 | 414 | 232 |
| Africa | | | | |
| Ahafo | 385 | 388 | 408 | 376 |
| Other Operations | | | | |
| La Herradura | 414 | 420 | 397 | 340 |
| Kori Kollo | 745 | 233 | 754 | 325 |
| Golden Giant | - | - | - | 177 |
| | <u>568</u> | <u>329</u> | <u>566</u> | <u>322</u> |
| Average | <u>\$ 448</u> | <u>\$ 366</u> | <u>\$ 440</u> | <u>\$ 389</u> |
| Copper | | | | |
| Costs Applicable to Sales (\$/pound) ⁽¹⁾ | | | | |
| Batu Hijau | \$ 0.65 | \$ 1.23 | \$ 1.38 | \$ 1.05 |
| Consolidated Capital Expenditures (\$ million) | | | | |
| Nevada | \$ 78 | \$ 135 | \$ 337 | \$ 588 |
| Yanacocha | 114 | 72 | 239 | 253 |
| Australia/New Zealand | 241 | 231 | 962 | 599 |
| Batu Hijau | 12 | 31 | 84 | 74 |
| Africa | 32 | 40 | 117 | 134 |
| Hope Bay | 19 | - | 82 | - |
| Other Operations | 11 | 1 | 33 | 13 |
| Corporate and Other | 13 | 3 | 21 | 11 |
| Total | <u>\$ 520</u> | <u>\$ 513</u> | <u>\$ 1,875</u> | <u>\$ 1,672</u> |

⁽¹⁾ Excludes Amortization, Accretion, the 2007 Loss on settlement of price-capped forward sales contracts and the 2007 Midas redevelopment.

This information and other detailed regional production statistics can be found in the Regional Operating Statistics section of the Company's website at www.newmont.com.

Supplemental Information:

Classification Reporting Changes - Certain amounts for the three and twelve months ended December 31, 2007 have been reclassified to conform to the 2008 presentation. The Company reclassified the World Gold Council dues from General and administrative to Other expense, net, reclassified Accretion from Costs applicable to sales to a separate Accretion line item, reclassified regional administrative and community development from Costs applicable to sales to Other expense, net and reclassified marketing costs from Costs applicable to sales to General and administrative. The Statements of Consolidated Income (Loss) and the Statements of Consolidated Cash Flows have also been reclassified for discontinued operations. These changes were reflected for all periods presented.

Reconciliation of Adjusted Net Income to GAAP Net Income - Management of the Company uses the non-GAAP financial measure Adjusted net income to evaluate the Company's operating performance, and for planning and forecasting future business operations. The Company believes the use of Adjusted net income allows investors and analysts to compare the results of the continuing operations of the Company and its direct and indirect subsidiaries relating to the production and sale of minerals to similar operating results of other mining companies, by excluding exceptional or unusual items, income or loss from discontinued operations and the permanent impairment of assets, including marketable securities and goodwill. Management's determination of the components of Adjusted net income are evaluated periodically and based, in part, on a review of non-GAAP financial measures used by mining industry analysts.

Adjusted net income is not, and should not be used as, an alternative to GAAP Net income as reflected in the consolidated financial statements of the Company. Adjusted net income is not a measure of financial performance under GAAP and this measure should not be considered in isolation or as a substitute to performance measures calculated in accordance with GAAP. The tables below sets forth a reconciliation of Adjusted net income to GAAP Net income, the directly comparable GAAP financial measure.

| Description (\$ million except per share, after-tax) | Q4 2008 | Per Share |
|--|---------------|----------------|
| Adjusted net income | \$ 120 | \$ 0.26 |
| Write-down of marketable securities and other assets | (111) | (0.24) |
| Legacy closure obligations | (18) | (0.04) |
| Income tax estimate revisions | 18 | 0.04 |
| GAAP Income from continuing operations | \$ 9 | \$ 0.02 |
| Income from discontinued operations | 1 | 0.00 |
| GAAP Net income | \$ 10 | \$ 0.02 |

| Description (\$ million except per share, after-tax) | 2008 | Per Share | 2007 | Per Share |
|--|---------------|----------------|-------------------|------------------|
| Adjusted net income | \$ 905 | \$ 1.99 | \$ 600 | \$ 1.33 |
| Write-down of marketable securities and other assets | (182) | (0.40) | (39) | (0.09) |
| Legacy closure obligations | (68) | (0.15) | (19) | (0.04) |
| Income tax estimate revisions | 165 | 0.37 | - | - |
| Write-down of exploration goodwill | - | - | (1,122) | (2.48) |
| Settlement of gold contracts | - | - | (358) | (0.79) |
| Batu Hijau minority loan payment | - | - | (25) | (0.06) |
| Other, net | 9 | 0.02 | - | - |
| GAAP Income (loss) from continuing operations | \$ 829 | \$ 1.83 | \$ (963) | \$ (2.13) |
| Income (loss) from discontinued operations | 24 | 0.05 | (923) | (2.04) |
| GAAP Net income (loss) | \$ 853 | \$ 1.88 | \$ (1,886) | \$ (4.17) |

2009 Annual Outlook - As a result of adopting a recent accounting pronouncement related to the accounting treatment for convertible debt instruments, FSP APB 14-1, the Company expects its interest expense in 2009 to increase by approximately \$55 million as a result of non-cash interest expense related to the treatment of the conversion feature for the Company's 2012, 2014 and 2017 convertible notes. The table below sets forth the Company's current annual outlook and forecast assumptions:

| 2009 Annual Outlook – Description | |
|--|-------------------|
| Equity gold sales (Kozs) | 5,200 - 5,500 |
| Costs applicable to sales (\$/oz) | \$400 - \$440 |
| Equity copper sales (Mlbs) | 210 - 230 |
| Costs applicable to sales (\$/lb) | \$0.65 - \$0.75 |
| Capital expenditures (\$ M) | \$1,400 - \$1,600 |
| Amortization (\$ M) | \$775 - \$825 |
| Exploration (\$ M) | \$165 - \$175 |
| Advanced projects, research and development (\$ M) | \$120 - \$150 |
| General and administrative expenses (\$ M) | \$140 - \$150 |
| Interest expense, net of capitalized interest (\$ M) | \$150 - \$160 |
| Effective tax rate | 28% - 32% |
| Outlook Assumptions | |
| Oil price (\$/bbl) | \$70 |
| Australian dollar exchange rate | 0.75 |
| Copper price (\$/lb) | \$2.00 |

To view more detailed financial disclosure, including regional mine statistics, Results of Consolidated Operations, Liquidity and Capital Resources, Management's Discussion & Analysis, relevant Risk Factors, and a complete outline of the 2009 Operating and Financial guidance by region, please see the Company's Annual Report on Form 10-K, filed with the Securities and Exchange Commission on February 19, 2009, available at www.newmont.com.

The Company's fourth quarter and year-end earnings conference call and web cast presentation will be held on Thursday, February 19, 2009 beginning at 10:00 a.m. Eastern Time (8:00 a.m. Mountain Time). To participate:

Dial-In Number 800-619-4068
Intl Dial-In Number 415-228-4564
Leader John Seaberg
Password Newmont
Replay Number 866-457-5512
Intl Reply Number 203-369-1285

The conference call also will be simultaneously carried on our web site at www.newmont.com under Investor Relations/Presentations and will be archived there for a limited time.

Investor Contacts

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Cautionary Statement:

This news release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended that are intended to be covered by the safe harbor created by such sections and other applicable laws. Such forward-looking statements include, without limitation, (i) estimates of future mineral production and sales; (ii) estimates of future costs applicable to sales, other expenses and taxes, for specific operations and on a consolidated basis; (iii) estimates of future capital expenditures, construction, production or closure activities; (iv) statements regarding future exploration expenditures, results and reserves; (v) statements regarding fluctuations in capital and currency markets; (vi) statements regarding potential cost savings, productivity, operating performance, and cost structure; (vii) expectations regarding the completion and timing of the remaining interest in Boddington acquisition; and (viii) expectations regarding the start-up time, design, mine life, production and costs applicable to sales and exploration potential of the Boddington mine. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, gold and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, political and operational risks in the countries in which we operate, and governmental regulation and judicial outcomes. For a more detailed discussion of such risks and other factors, see the Company’s 2008 Annual Report on Form 10-K, filed on February 19, 2009, with the Securities and Exchange Commission, as well as the Company’s other SEC filings. The Company does not undertake any obligation to release publicly revisions to any “forward-looking statement,” to reflect events or circumstances after the date of this news release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.