NEWMONT MINING CORP /DE/

FORM 8-K
(Current report filing)

Filed 07/27/06 for the Period Ending 07/27/06

Address	6363 SOUTH FIDDLERS GREEN CIRCLE GREENWOOD VILLAGE, CO 80111
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

NEWMONT MINING CORP /DE/

FORM 8-K
(Current report filing)

Filed 7/27/2006 For Period Ending 7/27/2006

Address	1700 LINCOLN STREET
	DENVER, Colorado 80203
Telephone	303-863-7414
CIK	0001164727
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):
JULY 27, 2006

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)

Not Applicable

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

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))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On July 27, 2006, Newmont Mining Corporation, a Delaware corporation, issued a news release reporting its financial results for the second quarter ended June 30, 2006. 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 July 27, 2006

SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

By: Sharon E. Thomas
Name: Sharon E. Thomas Title: Vice President and Secretary

Dated: July 27, 2006

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
99.1	News Release dated July 27, 2006

Exhibit 99.1

SECOND QUARTER INCOME FROM CONTINUING OPERATIONS INCREASES 83% TO $161 MILLION ($0.36 Per Share)

DENVER, July 27 /PRNewswire-FirstCall/ -- Newmont Mining Corporation (NYSE: NEM) today announced second quarter income from continuing operations of $161 million ($0.36 per share) compared with $88 million ($0.20 per share) for the second quarter of 2005. For the first half of 2006, income from continuing operations was up 116% to $374 million ($0.83 per share) compared with $173 million ($0.39 per share) for the first half of 2005. Second quarter highlights included:

* Consolidated gold sales of 1.9 million ounces (1.4 million equity ounces) at costs applicable to sales of $298 per ounce and an average realized price of $605 per ounce;

* Net cash provided from continuing operations of $344 million in the second quarter after a $160 million increase in working capital and the non-cash, physical delivery of $48 million in gold to repay debt in the second quarter; and

* Cash and cash equivalents, marketable securities and short-term investments of $1.5 billion at June 30.

Wayne W. Murdy, Chairman and Chief Executive Officer, said, "During the second quarter and for the first half of the year, we generated substantial earnings growth and gold price leverage for our shareholders. Net income from continuing operations grew by over 80% in the second quarter and more than doubled in the first half of 2006 on gold price increases of approximately 40%. We also achieved project milestones in Ghana and Nevada with initial processing at our Ahafo and Phoenix operations. Additionally, we are pleased to announce the third quarter sale of our Black Gold oil sands property in Alberta, Canada

for approximately $280 million."

FINANCIAL (in millions, except per share)	Q2 2006	Q2 2005	YTD 2006	YTD 2005
Revenues	$ 1,310	$ 997	$ 2,458	$ 1,942
Net cash provided from continuing operations	$ 344	$ 135	$ 584	$ 322
Income from continuing operations	$ 161	$ 88	$ 374	$ 173
Income from continuing operations per common share	$ 0.36	$ 0.20	$ 0.83	$ 0.39
OPERATING				
Consolidated gold sales (000 ounces)(1)	1,870	1,990	3,709	3,964
Equity gold sales (000 ounces)(1, 2)	1,384	1,537	2,776	3,088
Average realized gold price ($/ounce)	$ 605	$ 421	$ 580	$ 423
Costs applicable to sales ($/ounce)	$ 298	$ 242	$ 286	$ 239

(1) Includes 23,000 and 37,200 ounces for the three and six month periods ended June 30, 2006, respectively, from Leeville and Phoenix start-up activities, which are not included in Revenue, Costs applicable to sales and Depreciation, depletion and amortization per ounce calculations. Revenues and costs during start-up are included in Other income, net.

(2) Includes sales from the Holloway discontinued operation.

FINANCIAL AND OPERATING REVIEW

Second quarter 2006 income from continuing operations was $161 million ($0.36 per share), compared with $88 million ($0.20 per share) for the second quarter of 2005. Income from continuing operations for the second quarter was impacted by the following:

	Q2 2006		Q2 2005	
DESCRIPTION	$ Million	EPS	$ Million	EPS
Pre-paid forward deliveries	$ 23	$ 0.05	$ 4	$ 0.01
Deferred stripping accounting	$ 7	$ 0.01	--	--
Stock option accounting	$ 4	$ 0.01	--	--
Australian tax consolidation	--	--	$ (7)	$ (0.01)
Buyat Bay litigation expenses	$ 5	$ 0.01	$ 8	$ 0.02

These items had the net effect of decreasing income from continuing operations for the second quarter of 2006 by $39 million ($0.08 per share) and decreasing income from continuing operations for the second quarter of 2005 by $5 million ($0.02 per share).

The Company generated net cash from continuing operations of $344 million in the second quarter of 2006, after a $160 million increase in working capital and the non-cash, physical delivery of $48 million in gold to repay debt.

OPERATING HIGHLIGHTS

Nevada	Q2 2006	Q2 2005	YTD 2006	YTD 2005
Consolidated gold sales (000 ounces)(1)	543	607	1,078	1,195
Equity gold sales (000 ounces)(1)	495	569	985	1,127
Consolidated costs applicable to sales ($/ounce)	$ 450	$ 315	$ 423	$ 312

(1) Includes 23,000 and 37,200 ounces for the three and six month periods ended June 30, 2006, respectively, from incidental sales during start-up at Leeville and Phoenix.

In Nevada, gold ounces sold decreased 10% in the second quarter of 2006 from 2005, primarily as a result of a 16% decrease in mill ore grade. Costs applicable to sales per ounce increased 43%, primarily due to lower production and higher labor, diesel, power, cyanide and underground contract service costs. The increase in costs applicable to sales was also impacted by the change in accounting for open pit waste removal costs. In the second quarter of 2005, $18 million of mining costs were deferred and reduced costs applicable to sales by $30 per ounce. Gold production at Lone Tree continues to decline as the mine prepares for planned closure in the second half of the year.

YANACOCHA	Q2 2006	Q2 2005	YTD 2006	YTD 2005
Consolidated gold sales (000 ounces)	785	722	1,555	1,495
Equity gold sales (000 ounces)	403	371	799	768
Consolidated costs applicable to sales ($/ounce)	$ 185	$ 156	$ 173	$ 149

At Yanacocha, second quarter gold ounces sold increased 9% as a 30% increase in ore grade and timing of flows from the leach pads more than offset a 16% decrease in tons of ore placed. The decrease in ore placed resulted from increased waste removal at the La Quinua and Yanacocha pits. Ore grade increased at La Quinua as mining accessed higher grade material at the bottom of the pit. Costs applicable to sales per ounce increased 19% due to increased consumption and prices of diesel, cyanide, lime and other commodities and higher labor and royalty costs due to increased gold prices.

AUSTRALIA/NEW ZEALAND	Q2 2006	Q2 2005	YTD 2006	YTD 2005
Consolidated gold sales (000 ounces)	315	387	649	827
Equity gold sales (000 ounces)	315	387	649	827
Consolidated costs applicable to sales ($/ounce)	$ 388	$ 332	$ 386	$ 316

In Australia and New Zealand, operations sold 19% fewer ounces of gold in the second quarter of 2006 compared to 2005, primarily due to processing lower grades at Kalgoorlie, Pajingo and Martha, combined with lower throughput at Tanami, Kalgoorlie and Pajingo. Costs applicable to sales per ounce for the second quarter increased in 2006 from 2005 by 17%, primarily due to the decrease in production, partially offset by a devaluation of the Australian and New Zealand dollars compared to the U.S. dollar. The increase in costs applicable to sales was also impacted by the change in accounting for open pit waste removal costs. In the second quarter of 2005, $1 million of mining costs were amortized and increased costs applicable to sales by $2 per ounce.

At Tanami in Australia, gold ounces sold decreased 29% in the second quarter of 2006 from 2005, primarily due to a 32% decline in mill throughput resulting from the completion of processing Groundrush stockpiles and lower ore grade from The Granites. Costs applicable to sales per ounce increased 16%, primarily due to lower gold production.

At Kalgoorlie in Australia, gold ounces sold decreased 12% in the second quarter of 2006 from 2005, primarily due to a 22% decrease in tons milled due to more abrasive and harder ore as well as an additional planned shut down for shovel repairs. Costs applicable to sales per ounce increased 41%, primarily due to lower gold production and increased diesel and maintenance costs.

At Jundee in Australia, gold ounces sold in the second quarter of 2006 remained constant with the second quarter of 2005. Costs applicable to sales per ounce decreased 14%, primarily attributable to fewer tons mined and less underground development.

At Pajingo in Australia, gold ounces sold decreased 18% in the second quarter of 2006 from 2005, due to a 15% decrease in tons milled and a 12% decrease in mill ore grade. The decrease in tons milled was attributable to ground control issues in Vera South Deeps and access issues at Jandam. Costs applicable to sales per ounce increased 30% primarily due to lower production.

At Martha in New Zealand, gold ounces sold decreased 34% in the second quarter of 2006 from 2005, primarily due to a 30% decrease in mill ore grade. Costs applicable to sales per ounce remained constant as the lower production was offset by reduced open pit mining activities. In the second quarter of 2005, $1 million of deferred stripping costs was amortized, increasing costs applicable to sales by $12 per ounce.

BATU HIJAU	Q2 2006	Q2 2005	YTD 2006	YTD 2005
Consolidated copper sales (million pounds)	117	154	198	254
Equity copper sales (million pounds)	62	81	105	134
Consolidated costs applicable to sales ($/pound copper)	$ 0.71	$ 0.45	$ 0.75	$ 0.55
Average realized copper price, net of treatment & refining	$ 1.72	$ 1.06	$ 1.71	$ 1.07
Consolidated gold sales (000 ounces)	134	175	207	250
Equity gold sales (000 ounces)	71	93	110	132
Consolidated costs applicable to sales ($/ounce gold)	$ 196	$ 149	$ 200	$ 167

At Batu Hijau in Indonesia, copper and gold sales both decreased by 24% in the second quarter of 2006 from 2005, primarily due to a 30% and 33% decrease in copper and gold ore grades, respectively. Total tons mined were 24% higher in the second quarter of 2006 from 2005 due to the addition of 26 haul trucks and one additional shovel. The ore grade declined due to mining at the top of Phases 4 and 5 in 2006 compared to mining in the bottom of Phase 3 in 2005. Mine phase sequencing was adjusted as a result of mine plan revisions completed earlier in the year. Costs applicable to sales increased 58% per pound of copper and 32% per ounce of gold due to the decrease in copper and gold production, the expansion of the mining fleet and increased diesel, tire, labor and process maintenance costs. The increase in costs applicable to sales were also impacted by the change in accounting for open pit waste removal costs. In the second quarter of 2005, $6 million of stripping costs was amortized, increasing costs applicable to sales by $0.04 per pound of copper and $2 per ounce of gold.

OTHER OPERATIONS	Q2 2006	Q2 2005	YTD 2006	YTD 2005
Consolidated gold sales (000 ounces)	92	99	220	197
Equity gold sales (000 ounces)	89	98	211	195
Consolidated costs applicable to sales ($/ounce)	$ 247	$ 240	$ 229	$ 250

Mining operations at Golden Giant in Canada were essentially completed in December 2005. Remnant mining and production in the second quarter of 2006 at 14,300 ounces was higher than expected due to additional in-circuit inventory ounces. Residual production, at significantly reduced levels, is expected through the third quarter of 2006.

At Zarafshan in Uzbekistan, gold ounces sold decreased 8% in the second quarter of 2006 from 2005, primarily due to timing of flows from the leach pads as ore grade increased 23%. Costs applicable to sales per ounce remained constant.

In June 2006, economic courts in Uzbekistan ruled against the Joint Venture in two claims to collect approximately $48 million in taxes. The Joint Venture is appealing the tax rulings. In addition, the government of Uzbekistan and certain of its instrumentalities have initiated a series of actions that could adversely affect certain project agreements and operations. Although the Company believes these actions are without merit, the ultimate outcome of these matters cannot be determined at this time.

At June 30, 2006, the book value of the Company's ownership interest was approximately $94 million. The Company is exploring all options to recover the value of its investment in the Joint Venture, including the possible sale of the asset or international arbitration.

At Kori Kollo in Bolivia, gold ounces sold increased significantly in the second quarter and first half of 2006 as compared to 2005 resulting from the placement of additional material from the Kori Kollo pit on the existing leach pad and ore from the Kori Chaca pit on a new leach pad beginning in the third quarter of 2005. Costs applicable to sales per ounce increased 12%, primarily as a result of higher royalties and production taxes.

At La Herradura in Mexico, gold ounces sold decreased 7% in the second quarter of 2006 from 2005, primarily as a result of a 15% decrease in ore grade. Costs applicable to sales per ounce increased by 59% primarily due to decreased production and increased labor, diesel and other commodity costs. Costs applicable to sales were also impacted by the change in accounting for open pit waste removal costs. In the second quarter of 2005, $1 million of mining costs were deferred and reduced costs applicable to sales by $27 per ounce.

MERCHANT BANKING

Newmont Capital is responsible for the Company's merchant banking activities, including the management of all royalty, equity and asset portfolios, as well as in-house investment banking and advisory services. Second quarter and year to date royalty and dividend income was $29 million and $58 million, respectively, 38% higher than the year ago quarter and 49% higher than the first half of 2005, driven primarily by higher commodity prices. The value of the marketable equity securities portfolio grew to approximately $1.3 billion at the end of the quarter, versus $940 million at the start of the year, driven primarily by capital appreciation. Unrealized pre-tax gains in the portfolio exceeded $800 million at quarter-end.

Newmont Capital has also been advancing value maximization strategies for the Company's oil sands, iron ore, coal, gas and gold refining assets. After completing a three season resource delineation program and pre-feasibility study, Newmont received a cash offer of approximately $280 million for the Alberta Oil Sands project from the Korean National Oil Corporation late in the quarter. Subsequent to quarter end, a binding agreement was signed and the transaction is expected to close in the third quarter for an approximate $270 million pre-tax gain.

During the second quarter, the Company also closed a private placement and ore sale agreement with Queenstake Resources Ltd., and subsequent to quarter end, signed a binding agreement to sell the Martabe gold project in Indonesia to Agincourt Resources Limited for approximately $80 million. The Martabe sale is expected to close in the third quarter.

CAPITAL PROJECT DEVELOPMENT UPDATE

The Leeville underground mine in Nevada continues its production ramp-up and is expected to achieve 2,100 tons per day by the end of 2006. Steady state production of 3,200 tons per day is expected by the end of 2007, with annual production of between 400,000 and 450,000 ounces of gold per year.

The Phoenix mine in Nevada is ramping up to its design production rate of 35,000 tons per day, with commercial production expected in the third quarter and anticipated steady-state annual production of between 300,000 and 350,000 ounces of gold.

Also in Nevada, construction of the 200 megawatt coal-fired power plant is progressing, with engineering 60% complete and construction approximately 7% complete. The estimated completion date is mid-2008.

At the Ahafo mine in Ghana, ore processing began in June, with the initial gold pour occurring on July 18, 2006. Process expansion and underground development evaluations are also underway at Ahafo. Commercial production is expected to begin in the third quarter.

The Akyem project in Ghana was approved by the Newmont Board of Directors in July 2005. Construction is planned to commence, along with a detailed review of capital costs and production timing, when the environmental impact statement is approved.

Construction of the Boddington project in Australia has commenced, with Newmont's share of capital costs expected to be approximately $900 million to $1.0 billion. Initial production is expected in late 2008 or early 2009.

EXPLORATION, ADVANCED PROJECTS, RESEARCH & DEVELOPMENT

Exploration expenditures were $46 million in the second quarter of 2006, compared with $38 million in the year ago quarter. Advanced projects, research and development expenditures were $28 million in the second quarter of 2006 as compared with $12 million in the second quarter of 2005. Exploration and development programs in Ghana and Australia, in particular, have provided favorable results so far this year.

In the northern part of the Ahafo district in Ghana, the Company has identified 13 new targets with similar structural and geophysical characteristics to other deposits in the district. Also at Ahafo, the Company is working to advance the Subika underground target to non-reserve mineralization (NRM) status in 2006 and is evaluating potential synergies between Subika and the nearby Apensu deposit. The Company is also targeting reserve and NRM additions at Ahafo's Susuan and Awonsu open pit targets.

In Australia, at the Callie underground operations, the Company is targeting reserve and NRM additions in the Wilson and Federation shoots at levels below 1,000 meters. Recent surface diamond drill holes have intersected gold mineralization in the Wilson Shoot as deep as 1,500 meters. Near-mine exploration and development programs at Boddington, Martha, Kalgoorlie and Jundee have also generated favorable results.

In Nevada, the Company has had encouraging exploration results at Gold Quarry, Carlin, Genesis, Chukar and Twin Creeks.

FINANCING ACTIVITIES

In May 2006, Yanacocha entered into a seven year, unsecured $100 million bank financing with a syndicate of Peruvian commercial banks. Today, Yanacocha also issued $100 million of public bonds in the Peruvian market. These financings will broaden the Company's stakeholder base in Peru and, through the bond offer, also allow Peruvian pension funds to benefit from the Company's ongoing success at Yanacocha.

In June, Newmont Ghana Gold Limited, entered into a $125 million project financing for the Ahafo project in Ghana with the International Finance Corporation (IFC), which the Company anticipates drawing down in the second half of 2006.

2006 GUIDANCE

The Company expects to sell approximately 5.9-6.2 million equity ounces of gold at costs applicable to sales of approximately $290-$310 per ounce. The Company also expects to sell approximately 225-235 million equity pounds of copper at costs applicable to sales of approximately $0.65-$0.70 per pound. Gold and copper sales are expected to be weighted to the fourth quarter of the year, with actual sales dependant on the ramp-up at Ahafo, Phoenix and Leeville.

The Company is currently reviewing its mine plan and project development schedules as part of its annual budgeting cycle and will provide updated 2007 sales and cost guidance by early next year for all operating regions.

	Equity Sales (000 ounces)	Costs Applicable to Sales ($/oz)
Gold		
Nevada, USA	2,360 - 2,435	$380 - $395
Yanacocha, Peru	1,330 - 1,366	$190 - $205
Australia/New Zealand	1,390 - 1,445	$375 - $395
Batu Hijau, Indonesia	210 - 240	$200 - $225
Ahafo, Ghana	240 - 275	$250 - $275
Other(1)	370 - 440	$215 - $255
TOTAL	5,900 - 6,200	$290 - $310

	Equity Sales (million lbs)	Costs Applicable to Sales ($/lb)
Copper		
Batu Hijau, Indonesia	225 - 235	$0.65 - $0.70

Consolidated Financial Guidance ($ in million, except tax rate)	
Royalty and dividend income	$90 - $100
Depreciation, depletion & amortization	$630 - $670
Exploration	$160 - $165
Advanced projects, research and development	$65 - $75
General and administrative	$150 - $160
Interest expense, net	$95 - $105
Tax rate (assuming $600/oz gold)	24% - 28%
Capital expenditures	$1,400 - $1,600

(1) Includes Holloway, Golden Giant, La Herradura, Kori Kollo and Zarafshan. Zarafshan is assumed to continue in operation for the entire year, despite the previously disclosed tax and other issues currently being experienced. Depending on the outcome, Zarafshan may be forced to discontinue operations in the second half of 2006.

STATEMENTS OF CONSOLIDATED INCOME

	Three Months Ended June 30, 2006	Three Months Ended June 30, 2005	Six Months Ended June 30, 2006	Six Months Ended June 30, 2005
	(unaudited, in millions except per share)			
Revenues				
Sales - gold, net	$ 1,108	$ 833	$ 2,119	$ 1,669
Sales - copper, net	202	164	339	273
	1,310	997	2,458	1,942
Costs and expenses				
Costs applicable to sales (exclusive of depreciation, depletion and amortization shown separately below)				
Gold	551	481	1,052	949
Copper	84	69	149	140
Depreciation, depletion and amortization	153	155	295	316
Exploration	46	38	79	64
Advanced projects, research and development	28	12	49	29
General and administrative	37	32	74	63
Other expense, net	13	16	27	40
	912	803	1,725	1,601
Other income (expense)				
Other income, net	34	44	69	111
Interest expense, net	(23)	(31)	(43)	(52)
	11	13	26	59
Income from continuing operations before income tax expense, minority interest and equity income of affiliates	409	207	759	400
Income tax expense	(120)	(44)	(158)	(97)
Minority interest in income of consolidated subsidiaries	(128)	(74)	(227)	(133)
Equity income (loss) of affiliates	--	(1)	--	3
Income from continuing operations	161	88	374	173
Loss from discontinued operations	--	(38)	(4)	(39)
Net income	$ 161	$ 50	$ 370	$ 134
Income per common share				
Basic:				
Income from continuing operations	$ 0.36	$ 0.20	$ 0.83	$ 0.39
Loss from discontinued operations	--	(0.09)	(0.01)	(0.09)
Net income	$ 0.36	$ 0.11	$ 0.82	$ 0.30
Diluted:				
Income from continuing operations	$ 0.36	$ 0.20	$ 0.83	$ 0.39
Loss from discontinued operations	--	(0.09)	(0.01)	(0.09)
Net income	$ 0.36	$ 0.11	$ 0.82	$ 0.30
Basic weighted-average common shares outstanding	449	446	449	446
Diluted weighted-average common shares outstanding	452	449	451	449
Cash dividends declared per common share	$ 0.10	$ 0.10	$ 0.20	$ 0.20

CONSOLIDATED BALANCE SHEETS

	At June 30, 2006	At December 31, 2005
	(unaudited, in millions)	
ASSETS		
Cash and cash equivalents	$ 1,135	$ 1,082
Marketable securities and other short-term investments	354	817
Trade receivables	196	94
Accounts receivable	157	136
Inventories	349	320
Stockpiles and ore on leach pads	342	255
Deferred stripping costs	--	78
Deferred income tax assets	192	159
Other current assets	93	95
Current assets	2,818	3,036
Property, plant and mine development, net	6,185	5,645
Investments	1,308	955
Long-term stockpiles and ore on leach pads	733	603
Deferred stripping costs	--	100
Deferred income tax assets	610	517
Other long-term assets	197	183
Goodwill	2,902	2,879
Assets of operations held for sale	77	74
Total assets	$ 14,830	$ 13,992
LIABILITIES		
Current portion of long-term debt	$ 205	$ 196
Accounts payable	231	232
Employee-related benefits	151	176
Derivative instruments	583	270
Other current liabilities	479	476
Current liabilities	1,649	1,350
Long-term debt	1,709	1,733
Reclamation and remediation liabilities	456	445
Deferred income tax liabilities	461	449
Employee-related benefits	292	273
Other long-term liabilities	302	414
Liabilities of operations held for sale	16	21
Total liabilities	4,885	4,685
Minority interest in subsidiaries	1,048	931
STOCKHOLDERS' EQUITY		
Common stock	673	666
Additional paid-in capital	6,669	6,578
Accumulated other comprehensive income	602	378
Retained earnings	953	754
Total stockholders' equity	8,897	8,376
Total liabilities and stockholders' equity	$ 14,830	$ 13,992

STATEMENTS OF CONSOLIDATED CASH FLOW (THREE MONTH)

	Three Months Ended June 30, 2006	Three Months Ended June 30, 2005
	(unaudited, in millions)	
Operating activities:		
Net income	$ 161	$ 50
Adjustments to reconcile net income to net cash from operations:		
Depreciation, depletion and amortization	153	155
Revenue from prepaid forward sales obligation	(48)	(48)
Loss from discontinued operations	--	38
Accretion of accumulated reclamation obligations	7	7
Amortization of deferred stripping costs, net	--	(12)
Deferred income taxes	(5)	(20)
Minority interest expense	128	74
Gain on asset sales, net	(12)	(3)
Hedge (gain) loss, net	83	(4)
Other operating adjustments and write-downs	37	5
Decrease (increase) in operating assets:		
Trade and accounts receivable	(56)	(14)
Inventories, stockpiles and ore on leach pads	(100)	(59)
Other assets	(2)	(1)
Increase (decrease) in operating liabilities:		
Accounts payable and other accrued liabilities	11	(25)
Reclamation liabilities	(13)	(8)
Net cash provided from continuing operations	344	135
Net cash (used in) provided from discontinued operations	(8)	1
Net cash from operations	336	136
Investing activities:		
Additions to property, plant and mine development	(338)	(303)
Additions to property, plant and mine development of discontinued operations	--	(11)
Investments in marketable debt and equity securities	(408)	(1,267)
Proceeds from sale of marketable debt and equity securities	566	1,278
Acquisition of minority interests	--	--
Proceeds from sale of assets	6	8
Other	(2)	--
Net cash used in investing activities	(176)	(295)
Financing activities:		
Proceeds from debt, net	99	2
Repayment of debt	(43)	(55)
Dividends paid to common stockholders	(45)	(44)
Dividends paid to minority interests	(44)	(55)
Proceeds from stock issuance	19	2
Change in restricted cash and other	6	(6)
Net cash (used in) provided from financing activities	(8)	(156)
Effect of exchange rate changes on cash	4	(1)
Net change in cash and cash equivalents	156	(316)
Cash and cash equivalents at beginning of period	979	1,057
Cash and cash equivalents at end of period	$ 1,135	$ 741

STATEMENTS OF CONSOLIDATED CASH FLOW (SIX MONTH)

	Six Months Ended June 30, 2006	Six Months Ended June 30, 2005
	(unaudited, in millions)	
Operating activities:		
Net income	$ 370	$ 134
Adjustments to reconcile net income to net cash from operations:		
Depreciation, depletion and amortization	295	316
Revenue from prepaid forward sales obligation	(48)	(48)
Loss from discontinued operations	4	39
Accretion of accumulated reclamation obligations	14	14
Amortization of deferred stripping costs, net	--	(46)
Deferred income taxes	(77)	(27)
Minority interest expense	227	133
Gain on asset sales, net	(14)	(41)
Hedge loss, net	74	8
Other operating adjustments and write-downs	63	11
Decrease (increase) in operating assets:		
Trade and accounts receivable	(100)	(44)
Inventories, stockpiles and ore on leach pads	(224)	(72)
Other assets	(11)	3
Increase (decrease) in operating liabilities:		
Accounts payable and other accrued liabilities	36	(44)
Reclamation liabilities	(25)	(14)
Net cash provided from continuing operations	584	322
Net cash (used in) provided from discontinued operations	(13)	2
Net cash from operations	571	324
Investing activities:		
Additions to property, plant and mine development	(708)	(532)
Additions to property, plant and mine development of discontinued operations	--	(24)
Investments in marketable debt and equity securities	(1,080)	(2,042)
Proceeds from sale of marketable debt and equity securities	1,536	1,824
Acquisition of minority interests	(187)	--
Proceeds from sale of assets	8	60
Other	(2)	--
Net cash used in investing activities	(433)	(714)
Financing activities:		
Proceeds from debt, net	99	584
Repayment of debt	(63)	(70)
Dividends paid to common stockholders	(90)	(89)
Dividends paid to minority interests	(89)	(71)
Proceeds from stock issuance	57	6
Change in restricted cash and other	(2)	(7)
Net cash (used in) provided from financing activities	(88)	353
Effect of exchange rate changes on cash	3	(3)
Net change in cash and cash equivalents	53	(40)
Cash and cash equivalents at beginning of period	1,082	781
Cash and cash equivalents at end of period	$ 1,135	$ 741

OPERATING STATISTICS - SUMMARY

	Three months ended June 30, 2006	Three months ended June 30, 2005	Six months ended June 30, 2006	Six months ended June 30, 2005
GOLD				
Consolidated ounces sold (000):				
Nevada (1)	543.4	606.5	1,078.4	1,195.1
Yanacocha	785.2	722.3	1,555.1	1,495.2
Batu Hijau	134.3	174.9	207.1	250.3
Australia/New Zealand				
Tanami	90.0	126.7	198.6	273.6
Kalgoorlie	81.7	93.1	175.7	209.6
Jundee	77.4	78.2	139.6	166.1
Pajingo	35.3	42.8	67.4	86.7
Martha	30.7	46.5	67.5	90.6
	315.1	387.3	648.8	826.6
Other				
Golden Giant	14.3	39.9	48.4	77.7
La Herradura	20.0	21.6	40.2	40.5
Kori Kollo	30.8	7.8	74.6	14.8
Zarafshan	27.3	29.8	56.6	64.1
	92.4	99.1	219.8	197.1
	1,870.4	1,990.1	3,709.2	3,964.3
Equity ounces sold (000):				
Nevada (1)	495.3	569.4	984.7	1,126.9
Yanacocha	403.2	370.9	798.5	767.8
Batu Hijau	71.0	92.5	109.5	132.4
Australia/New Zealand				
Tanami	90.0	126.7	198.6	273.6
Kalgoorlie	81.7	93.1	175.7	209.6
Jundee	77.4	78.2	139.6	166.1
Pajingo	35.3	42.8	67.4	86.7
Martha	30.7	46.5	67.5	90.6
	315.1	387.3	648.8	826.6
Other				
Golden Giant	14.3	39.9	48.4	77.7
La Herradura	20.0	21.6	40.2	40.5
Kori Kollo	27.1	6.9	65.7	13.0
Zarafshan	27.3	29.8	56.6	64.1
	88.7	98.2	210.9	195.3
	1,373.3	1,518.3	2,752.4	3,049.0
Discontinued operations:				
Holloway	10.6	18.7	23.9	38.8
	1,383.9	1,537.0	2,776.3	3,087.8
COPPER				
Batu Hijau (pounds sold in millions):				
Consolidated	117.0	154.0	197.7	254.1
Equity	61.9	81.4	104.5	134.3

(1) Includes 23,500 and 37,300 ounces sold (consolidated and equity) for the three and six month periods ended June 30, 2006, respectively, from Leeville and Phoenix start-up activities which are not included in Revenue, Costs applicable to sales and Depreciation, depletion and amortization per ounce calculations. Revenues and costs during start-up are included in Other income, net.

OPERATING STATISTICS - NEVADA (1)

	Three months ended June 30,		Six months ended June 30,	
	2006	2005	2006	2005
Tons mined (000 dry short tons):				
Open pit				
Ore	7,759	7,661	16,510	15,010
Waste	37,266	38,708	76,569	79,704
Total	45,025	46,369	93,079	94,714
Underground	284	416	652	856
Tons milled/processed (000 dry short tons):				
Oxide	309	1,373	621	2,675
Refractory	3,288	2,318	6,505	4,606
Leach	5,353	5,390	11,956	9,846
Average ore grade (oz/ton):				
Oxide	0.202	0.106	0.221	0.106
Refractory	0.123	0.185	0.126	0.189
Leach	0.025	0.024	0.024	0.025
Average mill recovery rate:				
Oxide	93.1%	76.4%	92.7%	74.6%
Refractory	82.3%	90.9%	81.0%	90.3%
Ounces produced (000):				
Oxide	62.8	103.4	132.1	207.4
Refractory	394.3	376.3	786.8	769.8
Leach	82.5	112.9	159.3	191.2
Consolidated	539.6	592.6	1,078.2	1,168.4
Equity	490.4	555.5	982.8	1,100.2
Ounces sold (000):				
Consolidated	543.4	606.5	1,078.4	1,195.1
Equity	495.3	569.4	984.7	1,126.9
Production costs (in millions):				
Costs applicable to sales	$ 234	$ 191	$ 440	$ 373
Depreciation, depletion and amortization	$ 35	$ 30	$ 71	$ 60
Production costs (per ounce sold):				
Direct mining and production costs	$ 448	$ 340	$ 418	$ 334
Capitalized mining and other	(10)	(37)	(10)	(34)
Royalties and production taxes	9	9	12	9
Reclamation and mine closure costs	3	3	3	3
Costs applicable to sales	$ 450	$ 315	$ 423	$ 312
Depreciation, depletion and amortization	$ 68	$ 50	$ 68	$ 50

(1) Includes 23,000 and 37,200 ounces sold (consolidated and equity) for the three and six month periods ended June 30, 2006, respectively, from Leeville and Phoenix start-up activities which are not included in Revenue, Costs applicable to sales and Depreciation, depletion and amortization per ounce calculations. Revenues and costs during start-up are included in Other income, net.

OPERATING STATISTICS - YANACOCHA

	Three months ended June 30,		Six months ended June 30,	
	2006	2005	2006	2005
Tons mined (000 dry short tons):				
Ore	29,817	35,558	60,899	61,759
Waste	25,543	21,687	44,835	41,225
Total	55,360	57,245	105,734	102,984
Tons processed (000 dry short tons):	29,817	35,558	60,907	61,759
Average ore grade (oz/ton):	0.032	0.025	0.034	0.026
Ounces produced (000):				
Consolidated	750.6	709.2	1,551.0	1,505.1
Equity	385.4	364.2	796.5	772.9
Ounces sold (000):				
Consolidated	785.2	722.3	1,555.1	1,495.2
Equity	403.2	370.9	798.5	767.8
Production costs (in millions):				
Costs applicable to sales	$ 145	$ 112	$ 269	$ 223
Depreciation, depletion and amortization	$ 49	$ 51	$ 92	$ 98
Production costs (per ounce sold):				
Direct mining and production costs	$ 192	$ 159	$ 177	$ 152
Capitalized mining and other	(14)	(8)	(11)	(8)
Royalties and production taxes	4	3	4	3
Reclamation and mine closure costs	3	2	3	2
Costs applicable to sales	$ 185	$ 156	$ 173	$ 149
Depreciation, depletion and amortization	$ 61	$ 71	$ 59	$ 66

OPERATING STATISTICS - BATU HIJAU

	Three months ended June 30,		Six months ended June 30,	
	2006	2005	2006	2005
Tons mined (000 dry short tons)				
Ore	37,362	21,942	68,552	30,180
Waste	35,489	36,843	64,487	88,804
Total	72,851	58,785	133,039	118,984
Tons milled (000 dry short tons):	12,080	12,301	22,909	24,589
Average ore grade:				
Gold (oz/ton)	0.013	0.019	0.011	0.013
Copper	0.52%	0.75%	0.51%	0.64%
Average mill recovery rate:				
Gold	82.9%	80.2%	80.0%	78.7%
Copper	86.7%	89.0%	86.2%	84.6%
Production:				
Gold ounces (000)				
Consolidated	126.3	183.8	209.4	258.1
Equity	66.8	97.2	110.7	136.5
Copper pounds (millions)				
Consolidated	109.4	162.9	203.4	266.0
Equity	57.8	86.1	107.5	140.7
Sales:				
Gold ounces (000)				
Consolidated	134.3	174.9	207.1	250.3
Equity	71.0	92.5	109.5	132.4
Copper pounds (millions)				
Consolidated	117.0	154.0	197.7	254.1
Equity	61.9	81.4	104.5	134.3
Gold production costs (in millions):				
Costs applicable to sales	$ 27	$ 26	$ 42	$ 42
Depreciation, depletion and amortization	$ 6	$ 9	$ 10	$ 14
Production costs (per ounce sold):				
Direct mining and production costs	$ 189	$ 141	$ 194	$ 178
Capitalized mining and other	(8)	(4)	(8)	(22)
Royalties and production taxes	13	10	12	9
Reclamation and mine closure costs	2	2	2	2
Costs applicable to sales	$ 196	$ 149	$ 200	$ 167
Depreciation, depletion and amortization	$ 46	$ 50	$ 48	$ 60
Copper production costs (in millions):				
Costs applicable to sales	$ 84	$ 69	$ 149	$ 140
Depreciation, depletion and amortization	$ 18	$ 20	$ 34	$ 46
Copper production costs (per pound sold):				
Direct mining and production costs	$ 0.66	$ 0.36	$ 0.71	$ 0.55
Capitalized mining and other	0.02	0.07	0.01	(0.03)
Royalties and production taxes	0.02	0.02	0.02	0.02
Reclamation and mine closure costs	0.01	--	0.01	0.01
Costs applicable to sales	$ 0.71	$ 0.45	$ 0.75	$ 0.55
Depreciation, depletion and amortization	$ 0.16	$ 0.13	$ 0.17	$ 0.18

OPERATING STATISTICS - PAJINGO AND JUNDEE

PAJINGO

	Three months ended June 30, 2006	Three months ended June 30, 2005	Six months ended June 30, 2006	Six months ended June 30, 2005
Tons mined (000 dry short tons)	138	144	252	321
Tons milled (000 dry short tons)	140	165	255	333
Average ore grade (oz/ton)	0.252	0.287	0.261	0.273
Average mill recovery rate	96.8%	96.5%	96.9%	96.7%
Ounces produced (000):				
Consolidated	34.0	44.0	65.8	87.9
Equity	34.0	44.0	65.8	87.9
Ounces sold (000):				
Consolidated	35.3	42.8	67.4	86.7
Equity	35.3	42.8	67.4	86.7
Production costs (in millions):				
Costs applicable to sales	$ 16	$ 14	$ 30	$ 30
Depreciation, depletion and amortization	$ 6	$ 6	$ 11	$ 12
Production costs (per ounce sold):				
Direct mining and production costs	$ 430	$ 332	$ 427	$ 334
Capitalized mining and other	(11)	(8)	(7)	(7)
Royalties and production taxes	17	12	16	14
Reclamation and mine closure costs	3	2	3	2
Costs applicable to sales	$ 439	$ 338	$ 439	$ 343
Depreciation, depletion and amortization	$ 167	$ 132	$ 158	$ 135

JUNDEE

	Three months ended June 30, 2006	Three months ended June 30, 2005	Six months ended June 30, 2006	Six months ended June 30, 2005
Tons mined (000 dry short tons):				
Open pit				
Ore	383	437	541	570
Waste	1,202	3,329	2,104	4,882
Total	1,585	3,766	2,645	5,452
Underground	316	293	589	585
Tons milled (000 dry short tons)	636	626	1,193	1,261
Average ore grade (oz/ton)	0.130	0.132	0.126	0.139
Average mill recovery rate	91.8%	92.3%	91.8%	92.7%
Ounces produced (000):				
Consolidated	77.3	78.0	139.9	166.1
Equity	77.3	78.0	139.9	166.1
Ounces sold (000):				
Consolidated	77.4	78.2	139.6	166.1
Equity	77.4	78.2	139.6	166.1
Production costs (in millions):				
Costs applicable to sales	$ 27	$ 31	$ 53	$ 61
Depreciation, depletion and amortization	$ 6	$ 6	$ 11	$ 12
Production costs (per ounce sold):				
Direct mining and production costs	$ 326	$ 367	$ 359	$ 342
Capitalized mining and other	(2)	16	(1)	12
Royalties and production taxes	15	12	16	11
Reclamation and mine closure costs	5	5	6	4
Costs applicable to sales	$ 344	$ 400	$ 380	$ 369
Depreciation, depletion and amortization	$ 78	$ 76	$ 78	$ 75

OPERATING STATISTICS - TANAMI AND KALGOORLIE

TANAMI

	Three months ended June 30, 2006	Three months ended June 30, 2005	Six months ended June 30, 2006	Six months ended June 30, 2005
Tons mined (000 dry short tons)	523	465	1,046	996
Tons milled (000 dry short tons)	811	1,196	1,603	2,328
Average ore grade (oz/ton)	0.117	0.110	0.130	0.120
Average mill recovery rate	94.6%	94.0%	95.1%	94.6%
Ounces produced (000):				
Consolidated	90.5	127.5	198.5	268.3
Equity	90.5	127.5	198.5	268.3
Ounces sold (000):				
Consolidated	90.0	126.7	198.6	273.6
Equity	90.0	126.7	198.6	273.6
Production costs (in millions):				
Costs applicable to sales	$ 36	$ 44	$ 74	$ 87
Depreciation, depletion and amortization	$ 6	$ 9	$ 13	$ 17
Production costs (per ounce sold):				
Direct mining and production costs	$ 353	$ 320	$ 324	$ 290
Capitalized mining and other	(1)	6	(1)	5
Royalties and production taxes	48	17	46	18
Reclamation and mine closure costs	3	3	3	3
Costs applicable to sales	$ 403	$ 346	$ 372	$ 316
Depreciation, depletion and amortization	$ 76	$ 67	$ 69	$ 64

KALGOORLIE

	Three months ended June 30, 2006	Three months ended June 30, 2005	Six months ended June 30, 2006	Six months ended June 30, 2005
Tons mined (000 dry short tons):				
Open pit				
Ore	1,777	1,915	3,594	3,874
Waste	10,031	9,427	19,476	17,812
Total	11,808	11,342	23,070	21,686
Underground	51	55	104	108
Tons milled (000 dry short tons)	1,476	1,897	3,175	3,726
Average ore grade (oz/ton)	0.065	0.069	0.064	0.073
Average mill recovery rate	85.8%	85.7%	84.1%	87.2%
Ounces produced (000):				
Consolidated	83.1	95.8	175.5	212.4
Equity	83.1	95.8	175.5	212.4
Ounces sold (000):				
Consolidated	81.7	93.1	175.7	209.6
Equity	81.7	93.1	175.7	209.6
Production costs (in millions):				
Costs applicable to sales	$ 39	$ 32	$ 83	$ 70
Depreciation, depletion and amortization	$ 7	$ 3	$ 13	$ 8
Production costs (per ounce sold):				
Direct mining and production costs	$ 464	$ 328	$ 455	$ 307
Capitalized mining and other	(3)	(2)	(3)	10
Royalties and production taxes	16	13	15	12
Reclamation and mine closure costs	6	3	6	3
Costs applicable to sales	$ 483	$ 342	$ 473	$ 332
Depreciation, depletion and amortization	$ 76	$ 37	$ 73	$ 38

OPERATING STATISTICS - MARTHA

	Three months ended June 30,		Six months ended June 30,	
	2006	2005	2006	2005
Tons mined (000 dry short tons):				
Open pit				
Ore	143	276	717	553
Waste	--	225	75	406
Total	143	501	792	959
Underground	29	--	47	--
Tons milled (000 dry short tons)	313	313	615	644
Average ore grade (oz/ton)	0.112	0.160	0.116	0.154
Average mill recovery rate	93.8%	92.4%	94.1%	92.7%
Ounces produced (000):				
Consolidated	31.4	46.4	69.4	91.5
Equity	31.4	46.4	69.4	91.5
Ounces sold (000):				
Consolidated	30.7	46.5	67.5	90.6
Equity	30.7	46.5	67.5	90.6
Production costs (in millions):				
Costs applicable to sales	$ 5	$ 7	$ 11	$ 14
Depreciation, depletion and amortization	$ 3	$ 4	$ 6	$ 9
Production costs (per ounce sold):				
Direct mining and production costs	$ 237	$ 207	$ 241	$ 211
Capitalized mining and other	(98)	(59)	(85)	(55)
Royalties and production taxes	--	--	--	--
Reclamation and mine closure costs	7	2	6	2
Costs applicable to sales	$ 146	$ 150	$ 162	$ 158
Depreciation, depletion and amortization	$ 91	$ 93	$ 88	$ 100

OPERATING STATISTICS - GOLDEN GIANT AND LA HERRADURA

GOLDEN GIANT

	Three months ended June 30, 2006	Three months ended June 30, 2005	Six months ended June 30, 2006	Six months ended June 30, 2005
Tons mined (000 dry short tons)	--	140	13	281
Tons milled (000 dry short tons)	--	142	17	284
Average ore grade (oz/ton)	--	0.297	0.627	0.284
Average mill recovery rate	0.0%	95.9%	96.9%	95.7%
Ounces produced (000):				
Consolidated	14.3	40.5	48.4	78.2
Equity	14.3	40.5	48.4	78.2
Ounces sold (000):				
Consolidated	14.3	39.9	48.4	77.7
Equity	14.3	39.9	48.4	77.7
Production costs (in millions):				
Costs applicable to sales	$ 2	$ 12	$ 10	$ 24
Depreciation, depletion and amortization	$ 0	$ 3	$ 1	$ 6
Production costs (per ounce sold):				
Direct mining and production costs	$ 138	$ 283	$ 192	$ 308
Capitalized mining and other	3	1	2	1
Royalties and production taxes	--	2	--	2
Reclamation and mine closure costs	16	3	9	3
Costs applicable to sales	$ 157	$ 289	$ 203	$ 314
Depreciation, depletion and amortization	$ 0	$ 68	$ 12	$ 70

LA HERRADURA

	Three months ended June 30, 2006	2005	Six months ended June 30, 2006	2005
Tons mined (000 dry short tons):				
Ore	1,079	1,023	2,016	1,909
Waste	3,418	2,602	6,211	4,470
Total	4,497	3,625	8,227	6,379
Tons processed (000 dry short tons)	1,079	1,023	2,016	1,909
Average ore grade (oz/ton)	0.023	0.027	0.023	0.030
Ounces produced (000):				
Consolidated	20.0	21.6	40.2	40.5
Equity	20.0	21.6	40.2	40.5
Ounces sold (000):				
Consolidated	20.0	21.6	40.2	40.5
Equity	20.0	21.6	40.2	40.5
Production costs (in millions):				
Costs applicable to sales	$ 4	$ 3	$ 10	$ 7
Depreciation, depletion and amortization	$ 2	$ 1	$ 4	$ 2
Production costs (per ounce sold):				
Direct mining and production costs	$ 226	$ 168	$ 249	$ 187
Capitalized mining and other	1	(25)	--	(16)
Royalties and production taxes	--	--	--	--
Reclamation and mine closure costs	2	1	2	2
Costs applicable to sales	$ 229	$ 144	$ 251	$ 173
Depreciation, depletion and amortization	$ 98	$ 50	$ 98	$ 55

OPERATING STATISTICS - KORI KOLLO AND ZARAFSHAN

KORI KOLLO

	Three months ended June 30, 2006	2005	Six months ended June 30, 2006	2005
Tons mined (000 dry short tons):				
Ore	2,059	n/a	5,419	n/a
Waste	3,560	n/a	5,906	n/a
Total	5,619	n/a	11,325	n/a
Tons processed (000 dry short tons)	2,059	n/a	5,419	n/a
Average ore grade (oz/ton)	0.020	n/a	0.022	n/a
Ounces produced (000):				
Consolidated	34.1	8.7	77.9	15.7
Equity	30.0	7.7	68.5	13.8
Ounces sold (000):				
Consolidated	30.8	7.8	74.6	14.8
Equity	27.1	6.9	65.7	13.0
Production costs (in millions):				
Costs applicable to sales	$ 10	$ 2	$ 17	$ 4
Depreciation, depletion and amortization	$ 2	$ 1	$ 4	$ 1
Production costs (per ounce sold):				
Direct mining and production costs	$ 182	$ 236	$ 157	$ 235
Capitalized mining and other	(11)	(20)	(9)	(21)
Royalties and production taxes	128	18	71	18
Reclamation and mine closure costs	10	42	8	44
Costs applicable to sales	$ 309	$ 276	$ 227	$ 276
Depreciation, depletion and amortization	$ 67	$ 23	$ 56	$ 29

ZARAFSHAN

	Three months ended June 30, 2006	Three months ended June 30, 2005	Six months ended June 30, 2006	Six months ended June 30, 2005
Tons mined (000 dry short tons)	n/a	n/a	n/a	n/a
Tons processed (000 dry short tons)	1,869	2,007	3,836	3,670
Average ore grade (oz/ton)	0.039	0.032	0.037	0.033
Ounces produced (000):				
Consolidated	26.8	29.7	54.2	63.9
Equity	26.8	29.7	54.2	63.9
Ounces sold (000):				
Consolidated	27.3	29.8	56.6	64.1
Equity	27.3	29.8	56.6	64.1
Production costs (in millions):				
Costs applicable to sales	$ 6	$ 7	$ 13	$ 14
Depreciation, depletion and amortization	$ 2	$ 2	$ 4	$ 4
Production costs (per ounce sold):				
Direct mining and production costs	$ 234	$ 229	$ 233	$ 212
Capitalized mining and other	2	4	2	2
Royalties and production taxes	--	--	--	--
Reclamation and mine closure costs	2	2	2	2
Costs applicable to sales	$ 238	$ 235	$ 237	$ 216
Depreciation, depletion and amortization	$ 78	$ 74	$ 78	$ 71

GOLD DERIVATIVE POSITION (AT JUNE 30, 2006)
CURRENT MATURITY SUMMARY (1) (3) (000 OUNCES)

Year	Put Option Contracts(4) Ozs	Put Option Contracts(4) Price(2)	Price Capped Contracts (4) Ozs	Price Capped Contracts (4) Price(2)
2006	20	$ 392	--	--
2007	20	$ 397	--	--
2008	--	--	1,000	$ 384
2009	--	--	600	$ 381
2010	--	--	--	--
2011	--	--	250	$ 392
Total/Average	40	$ 394	1,850	$ 384

Notes:

(1) For more detailed descriptions, definitions and explanations, refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2005, filed on March 2, 2006.

(2) Prices quoted are gross contract prices, which represent the gross cash flow per ounce of each contract. Not included in these prices are the additional cash outflows associated with borrowing gold over the life of the contract where the contracts are floating in nature. The rate at which gold is borrowed is determined over the life of the contract based on the prevailing market gold lease rate for the time period that the borrowing is fixed. The borrowing can be fixed for varying periods over the life of the contract.

(3) In addition to the gold derivative positions shown in the table above, the Company entered into a prepaid forward gold sales contract in July 1999, which is reflected as debt on the Company's consolidated balance sheets. Under the prepaid forward gold sales contract, the Company delivered the second of three annual installments of 161,111 ounces of gold in June 2006. The final installment of 161,111 ounces of gold is scheduled to be delivered in June 2007.

(4) The gold put option contracts had a negative mark-to-market value of $2 million at June 30, 2006. The price capped contracts had a negative mark-to-market of $532 million at June 30, 2006.

The Company's second quarter earnings conference call and web cast presentation will be held on July 27, 2006 beginning at 4:00 p.m. Eastern Time (2:00 p.m. Mountain Time). To participate:

Dial-In Number:	517.308.9058
Leader:	Randy Engel
Password:	Newmont

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

Investor and Media 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. Such forward-looking statements include, without limitation, (i) estimates of future gold and copper production and sales; (ii) estimates of future costs applicable to sales; (iii) estimates of future capital expenditures, royalty and dividend income, tax rates and expenses; (iv) estimates regarding timing of future development, construction, production or closure activities; (v) statements regarding future exploration results and the replacement of reserves; and (vi) statements regarding cost structure and competitive position. 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 2005 Annual Report on Form 10-K, which is on file 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.

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