NEWMONT MINING CORP /DE/
Form 10-Q
October 29, 2009

Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549
Form 10-Q

(Mark One)

þ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the Quarterly Period Ended September 30, 2009
or

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____
Commission File Number: 001-31240
NEWMONT MINING CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**84-1611629**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**
6363 South Fiddler s Green Circle Greenwood Village, Colorado	**80111**
(Address of Principal Executive Offices)	**(Zip Code)**

Registrant s telephone number, including area code (303) 863-7414

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. þ Yes o No
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). þ Yes o No
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of accelerated filer and large accelerated filer in Rule 12-b2 of the Exchange Act. (Check one):

Large accelerated filer þ	Accelerated filer o	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12-b2 of the Exchange Act). o Yes þ No
There were 480,405,625 shares of common stock outstanding on October 23, 2009 (and 9,763,091 exchangeable shares).

TABLE OF CONTENTS

	Page
PART I	
ITEM 1. FINANCIAL STATEMENTS	1
Condensed Consolidated Statements of Income	1
Condensed Consolidated Balance Sheets	2
Condensed Consolidated Statements of Cash Flows	3
Notes to Condensed Consolidated Financial Statements	4
ITEM 2. MANAGEMENT_S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION	47
Selected Financial and Operating Results	47
Consolidated Financial Results	47
Results of Consolidated Operations	53
Liquidity and Capital Resources	59
Environmental	61
Recently Adopted Accounting Pronouncements	62
Recently Issued Accounting Pronouncements and Developments	65
Safe Harbor Statement	65
ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	67
ITEM 4. CONTROLS AND PROCEDURES	69
PART II	
ITEM 1. LEGAL PROCEEDINGS	70
ITEM 1A. RISK FACTORS	70
ITEM 2. ISSUER PURCHASES OF EQUITY SECURITIES	71
ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS	71
ITEM 5. OTHER MATTERS	71

ITEM 6. EXHIBITS 71

SIGNATURES S-1

EXHIBIT INDEX E-1

Exhibit 3.1
Exhibit 3.5
Exhibit 12.1
Exhibit 31.1
Exhibit 31.2
Exhibit 32.1
Exhibit 32.2
EX-101 INSTANCE DOCUMENT
EX-101 SCHEMA DOCUMENT
EX-101 CALCULATION LINKBASE DOCUMENT
EX-101 LABELS LINKBASE DOCUMENT
EX-101 PRESENTATION LINKBASE DOCUMENT
EX-101 DEFINITION LINKBASE DOCUMENT

Table of Contents

PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

NEWMONT MINING CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(unaudited, in millions except per share)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Revenues				
Sales gold, net	$ 1,653	$ 1,281	$ 4,401	$ 4,094
Sales copper, net	396	90	786	705
	2,049	1,371	5,187	4,799
Costs and expenses				
Costs applicable to sales gold[1]	694	692	1,983	1,969
Costs applicable to sales copper[1]	71	88	217	342
Amortization	199	186	566	548
Accretion (Note 23)	8	7	25	23
Exploration	55	57	147	154
Advanced projects, research and development (Note 3)	27	44	100	113
General and administrative	39	37	118	103
Other expense, net (Note 4)	67	69	259	249
	1,160	1,180	3,415	3,501
Other income (expense)				
Other income, net (Note 5)	25	66	43	100
Interest expense, net	(10)	(35)	(65)	(98)
	15	31	(22)	2
Income from continuing operations before income tax and other items	904	222	1,750	1,300
Income tax expense (Note 8)	(253)	(6)	(494)	(193)
Equity loss of affiliates	(6)	(1)	(14)	(6)
Income from continuing operations	645	215	1,242	1,101
Income (loss) from discontinued operations (Note 9)		7	(14)	17
Net income	645	222	1,228	1,118
Net income attributable to noncontrolling interests (Note 10)	(257)	(31)	(489)	(291)
Net income attributable to Newmont stockholders	$ 388	$ 191	$ 739	$ 827
Net income attributable to Newmont stockholders:				
Continuing operations	$ 388	$ 182	$ 748	$ 809

Discontinued operations		9	(9)	18
	$ 388	$ 191	$ 739	$ 827
Income per common share (Note 11)				
Basic:				
Continuing operations	$ 0.79	$ 0.40	$ 1.54	$ 1.78
Discontinued operations		0.02	(0.02)	0.04
	$ 0.79	$ 0.42	$ 1.52	$ 1.82
Diluted:				
Continuing operations	$ 0.79	$ 0.40	$ 1.54	$ 1.77
Discontinued operations		0.02	(0.02)	0.04
	$ 0.79	$ 0.42	$ 1.52	$ 1.81
Basic weighted-average common shares outstanding	490	454	485	454
Diluted weighted-average common shares outstanding	491	455	486	456
Cash dividends declared per common share	$ 0.10	$ 0.10	$ 0.30	$ 0.30

(1) Exclusive of Amortization and Accretion.

The accompanying notes are an integral part of the condensed consolidated financial statements.

Table of Contents

NEWMONT MINING CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited, in millions)

	At September 30, 2009	At December 31, 2008
ASSETS		
Cash and cash equivalents	$ 3,022	$ 435
Marketable securities and other short-term investments (Note 17)	19	12
Trade receivables	280	104
Accounts receivable	114	214
Inventories (Note 18)	479	507
Stockpiles and ore on leach pads (Note 19)	354	290
Deferred income tax assets	189	284
Other current assets (Note 20)	581	455
Current assets	5,038	2,301
Property, plant and mine development, net	12,150	10,128
Investments (Note 17)	1,069	655
Stockpiles and ore on leach pads (Note 19)	1,411	1,136
Deferred income tax assets	999	1,039
Other long-term assets (Note 20)	261	207
Goodwill	188	188
Assets of operations held for sale (Note 9)	31	73
Total assets	$ 21,147	$ 15,727
LIABILITIES		
Current portion of long-term debt (Note 21)	$ 225	$ 165
Accounts payable	338	411
Employee-related benefits	201	170
Income and mining taxes	211	61
Other current liabilities (Note 22)	1,226	770
Current liabilities	2,201	1,577
Long-term debt (Note 21)	4,698	3,072
Reclamation and remediation liabilities (Note 23)	724	699
Deferred income tax liabilities	1,229	1,051
Employee-related benefits	377	379
Other long-term liabilities (Note 22)	236	252
Liabilities of operations held for sale (Note 9)	13	36
Total liabilities	9,478	7,066
Commitments and contingencies (Note 27)		
EQUITY		
Common stock	768	709

Additional paid-in capital	8,060	6,831
Accumulated other comprehensive income (loss)	454	(253)
Retained earnings	641	4
Newmont stockholders equity	9,923	7,291
Noncontrolling interests	1,746	1,370
Total equity (Note 13)	11,669	8,661
Total liabilities and equity	$ 21,147	$ 15,727

The accompanying notes are an integral part of the condensed consolidated financial statements.

Table of Contents

NEWMONT MINING CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, in millions)

	Nine Months Ended September 30,	
	2009	**2008**
Operating activities:		
Net income	$ 1,228	$ 1,118
Adjustments:		
Amortization	566	548
Loss (income) from discontinued operations (Note 9)	14	(17)
Accretion of accumulated reclamation obligations (Note 23)	34	30
Deferred income taxes	7	(222)
Impairment of marketable securities (Note 17)	6	90
Stock based compensation and other benefits	44	38
Gain on asset sales, net	(3)	(70)
Reclamation estimate revisions (Note 23)		74
Other operating adjustments and write-downs	77	73
Net change in operating assets and liabilities (Note 24)	(27)	(494)
Net cash provided from continuing operations	1,946	1,168
Net cash provided from (used in) discontinued operations (Note 9)	3	(105)
Net cash provided from operations	1,949	1,063
Investing activities:		
Additions to property, plant and mine development	(1,314)	(1,350)
Investments in marketable debt and equity securities		(18)
Proceeds from sale of marketable debt and equity securities	10	50
Acquisitions, net (Note 14)	(766)	(325)
Other	(18)	26
Net cash used in investing activities of continuing operations	(2,088)	(1,617)
Net cash used in investing activities of discontinued operations (Note 9)		(11)
Net cash used in investing activities	(2,088)	(1,628)
Financing activities:		
Proceeds from debt, net	4,302	2,801
Repayment of debt	(2,604)	(2,249)
Dividends paid to common stockholders	(147)	(136)
Dividends paid to noncontrolling interests	(115)	(247)
Proceeds from stock issuance, net	1,248	27
Change in restricted cash and other	5	19
Net cash provided from financing activities of continuing operations	2,689	215
Net cash used in financing activities of discontinued operations (Note 9)	(2)	(3)

Net cash provided from financing activities	2,687	212
Effect of exchange rate changes on cash	39	(24)
Net change in cash and cash equivalents	2,587	(377)
Cash and cash equivalents at beginning of period	435	1,230
Cash and cash equivalents at end of period	$ 3,022	$ 853

The accompanying notes are an integral part of the condensed consolidated financial statements.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

NOTE 1 BASIS OF PRESENTATION

The interim Condensed Consolidated Financial Statements (interim statements) of Newmont Mining Corporation and its subsidiaries (collectively, Newmont or the Company) are unaudited. In the opinion of management, all adjustments and disclosures necessary for a fair presentation of these interim statements have been included. The Company has evaluated all subsequent events through October 28, 2009. The results reported in these interim statements are not necessarily indicative of the results that may be reported for the entire year. These interim statements should be read in conjunction with Newmont s Consolidated Financial Statements for the year ended December 31, 2008 included in its Form 8-K, filed September 15, 2009. The year-end balance sheet data was derived from the audited financial statements, but does not include all disclosures required by U.S. generally accepted accounting principles (GAAP). References to A$ refer to Australian currency, C$ to Canadian currency, IDR to Indonesian currency, NZ$ to New Zealand currency and $ to United States currency.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Recently Adopted Accounting Pronouncements

The Accounting Standards Codification

In June 2009, the Financial Accounting Standards Board (FASB) established the *FASB Accounting Standards Codification* (ASC) as the single source of authoritative GAAP to be applied by nongovernmental entities. The ASC is a new structure which took existing accounting pronouncements and organized them by accounting topic. Relevant authoritative literature issued by the Securities and Exchange Commission (SEC) and select SEC staff interpretations and administrative literature was also included in the ASC. All other accounting guidance not included in the ASC is non-authoritative. The ASC was effective for the Company s interim quarterly period beginning July 1, 2009. The adoption of the ASC did not have an impact on the Company s consolidated financial position, results of operations or cash flows.

Subsequent Events

In May 2009, the ASC guidance for subsequent events was updated to establish accounting and reporting standards for events that occur after the balance sheet date but before financial statements are issued or are available to be issued. The update sets forth: (i) the period after the balance sheet date during which management of a reporting entity should evaluate events or transactions that may occur for potential recognition or disclosure in the financial statements, (ii) the circumstances under which an entity should recognize events or transactions occurring after the balance sheet in its financial statements, and (iii) the disclosures that an entity should make about events or transactions occurring after the balance sheet date in its financial statements. The Company adopted the updated guidance for the interim period ended June 30, 2009. The adoption had no impact on the Company s consolidated financial position, results of operations or cash flows.

Post-Retirement Benefit Plans

In December 2008, the ASC guidance for retirement benefits was updated to expand the requirements of employers disclosures about post-retirement benefit plan assets in a defined benefit pension or other post-retirement plan. The objective is to require more detailed disclosures about employers plan assets, including employers investment strategies, major categories of plan assets, concentrations of risk within plan assets, and valuation techniques used to measure the fair value of plan assets. The Company adopted the updated guidance on January 1, 2009. These disclosures are not required for earlier periods that are presented for comparative purposes.

Equity Method Investments

In November 2008, the ASC guidance for equity method and joint venture investments was updated to clarify the accounting for certain transactions and impairment considerations involving equity method investments. The intent is to provide guidance on: (i) determining the initial measurement of an equity method investment, (ii) recognizing other-than- temporary impairments of an equity method investment and (iii) accounting for an equity method investee s issuance of shares. The updated guidance was effective for the Company s fiscal year beginning January 1, 2009 and was applied prospectively. The adoption had no impact on the Company s consolidated financial position or

results of operations.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

Equity-Linked Financial Instruments

In June 2008, the ASC guidance for derivatives and hedging when accounting for contracts in an entity s own equity was updated to clarify the determination of whether an instrument (or embedded feature) is indexed to an entity s own stock which would qualify as a scope exception from hedge accounting. The updated guidance was effective for the Company s fiscal year beginning January 1, 2009. The adoption had no impact on the Company s consolidated financial position or results of operations.

Accounting for Convertible Debt Instruments

In May 2008, the ASC guidance was updated for convertible debt instruments that, by their stated terms, may be settled in cash (or other assets) upon conversion, including partial cash settlement, unless the embedded conversion option is required to be separately accounted for as a derivative. The update requires that the liability and equity components of convertible debt instruments within the scope be separately accounted for in a manner that reflects the entity s nonconvertible debt borrowing rate. This requires an allocation of convertible debt proceeds between the liability component and the embedded conversion option (i.e., the equity component). The difference between the principal amount of the debt and the amount of the proceeds allocated to the liability component is reported as a debt discount and subsequently amortized to earnings over the instrument s expected life using the effective interest method. The updated guidance required retrospective application to all periods presented.

During July 2007, the Company completed an offering of $1,150 convertible senior notes due 2014 and 2017, each in the amount of $575. The 2014 notes, maturing on July 15, 2014, pay interest semi-annually at a rate of 1.25% per annum, and the 2017 notes, maturing on July 15, 2017, pay interest semi-annually at a rate of 1.625% per annum. The notes are convertible, at the holder s option, equivalent to a conversion price of $46.21 per share of common stock (24,887,956 shares of common stock). In connection with the convertible senior notes offering, the Company entered into convertible note hedge transactions and warrant transactions (Call Spread Transactions). The Call Spread Transactions included the purchase of call options and the sale of warrants. As a result of the Call Spread Transactions, the conversion price of $46.21 was effectively increased to $60.27. At September 30, 2009, the if-converted value did not exceed the principal amounts.

During February 2009, the Company completed an offering of $518 convertible senior notes due on February 15, 2012. The notes will pay interest semi-annually at a rate of 3.00% per annum. The notes are convertible, at the holder s option, equivalent to a conversion price of $46.25 per share of common stock (11,189,189 shares of common stock). At September 30, 2009, the if-converted value did not exceed the principal amount.

The Company recorded the following in the Condensed Consolidated Balance Sheets related to the convertible senior notes:

	At September 30, 2009 Convertible Senior Notes Due			At December 31, 2008 Convertible Senior Notes Due		
	2012	2014	2017	2012	2014	2017
Additional paid-in capital	$ 46	$ 97	$ 123	$	$ 97	$ 123
Principal amount	$ 518	$ 575	$ 575	$	$ 575	$ 575
Unamortized debt discount	(60)	(112)	(162)		(127)	(174)
Net carrying amount	$ 458	$ 463	$ 413	$	$ 448	$ 401

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

As a result of adopting the updated guidance, the effective interest rates increased by approximately 5 percentage points to 8.5%, 6.0% and 6.25% for the 2012, 2014 and 2017 notes, respectively, for the non-cash amortization of the debt discount over the lives of the notes. *Interest expense* was increased by $9 which decreased the Company s *Income from continuing operations* and *Net income* by $5 ($0.01 per share) for the three months ended September 30, 2008. *Interest expense* was increased by $25 which decreased the Company s *Income from continuing operations* and *Net income* by $16 ($0.03 per share) for the nine months ended September 30, 2008. Had the update been effective in 2008, the Company would have charged its fourth quarter 2008 dividends to *Additional paid-in capital* rather than *Retained earnings*; therefore the Company made the reclassification in 2009. Cash flows from operations were not impacted by the adoption of the updated guidance. The impact on the Company s 2009 opening balance in *Retained earnings* was as follows:

	At December 31, 2008
Balance before application of updated guidance	$ 7
Impact of adoption of updated guidance	(31)
Reclassification of dividends to *Additional paid-in capital*	28
Balance after application of updated guidance	$ 4

For the three months ended September 30, 2009, the Company recorded $8 and $15 of interest expense for the contractual interest coupon and amortization of the debt discount, respectively, related to the convertible senior notes. For the nine months ended September 30, 2009, the Company recorded $22 and $41 of interest expense for the contractual interest coupon and amortization of the debt discount, respectively, related to the convertible senior notes. The remaining unamortized debt discount is amortized over the remaining 3, 5 and 8 year periods of the 2012, 2014 and 2017 convertible senior notes, respectively.

Accounting for the Useful Life of Intangible Assets

In April 2008, the ASC guidance for Goodwill and Other Intangibles was updated to amend the factors that should be considered in developing renewal or extension assumptions used to determine the useful life of a recognized intangible asset. The intent of this update is to improve the consistency between the useful life of a recognized intangible asset and the period of expected cash flows used to measure the fair value of the asset under guidance for business combinations. The updated guidance was effective for the Company s fiscal year beginning January 1, 2009 and was applied prospectively to intangible assets acquired after the effective date. The adoption had no impact on the Company s consolidated financial position, results of operations or cash flows.

Derivative Instruments

In March 2008, the ASC guidance for derivatives and hedging was updated for enhanced disclosures about how and why an entity uses derivative instruments, how derivative instruments and the related hedged items are accounted for, and how derivative instruments and the related hedged items affect an entity s financial position, financial performance and cash flows. The Company adopted the updated guidance on January 1, 2009. The adoption had no impact on the Company s consolidated financial position, results of operations or cash flows. See Note 16 for the Company s derivative instruments disclosure.

Business Combinations

In December 2007, the ASC guidance for business combinations was updated to provide new guidance for recognizing and measuring identifiable assets and goodwill acquired, liabilities assumed, and any noncontrolling interest in the acquiree. The updated guidance also provides disclosure requirements to enable users of the financial statements to evaluate the nature and financial effects of the business combination. The Company adopted the updated

guidance on January 1, 2009 and applied it to the acquisition of the remaining 33.33% interest in the Boddington project completed on June 25, 2009 (see Note 14).

In April 2009, the guidance was updated to address application issues on initial recognition and measurement, subsequent measurement and accounting, and disclosure of assets and liabilities arising from contingencies in a business combination. This update is effective for assets or liabilities arising from contingencies in business combinations for which the acquisition date is on or after January 1, 2009. The adoption of the updated guidance did not have any impact on the Company s acquisition of the remaining 33.33% interest in the Boddington project completed on June 25, 2009 (see Note 14).

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

Noncontrolling Interests

In December 2007, the ASC guidance for Noncontrolling Interests was updated to establish accounting and reporting standards pertaining to: (i) ownership interests in subsidiaries held by parties other than the parent (noncontrolling interest), (ii) the amount of net income attributable to the parent and to the noncontrolling interest, (iii) changes in a parent s ownership interest, and (iv) the valuation of any retained noncontrolling equity investment when a subsidiary is deconsolidated. If a subsidiary is deconsolidated, any retained noncontrolling equity investment in the former subsidiary is measured at fair value and a gain or loss is recognized in net income based on such fair value. For presentation and disclosure purposes, the guidance requires noncontrolling interests to be classified as a separate component of equity. The Company adopted the updated guidance on January 1, 2009. Except for presentation changes, the adoption had no impact on the Company s consolidated financial position, results of operations or cash flows.

Fair Value Accounting

In September 2006, the ASC guidance for fair value measurements and disclosure was updated to define fair value, establish a framework for measuring fair value, and expand disclosures about fair value measurements. The Company adopted the updated guidance for assets and liabilities measured at fair value on a recurring basis on January 1, 2008. In February 2008, the FASB staff issued an update to the guidance which delayed the effective date for nonfinancial assets and nonfinancial liabilities that are recognized or disclosed at fair value in the financial statements on a nonrecurring basis. The Company adopted the updated guidance for the Company s nonfinancial assets and liabilities measured at fair value on a nonrecurring basis on January 1, 2009.

In April 2009, the guidance was further updated to provide additional guidance on determining fair value when the volume and level of activity for the asset or liability have significantly decreased and identifying circumstances that indicate when a transaction is not orderly. In April 2009, the guidance for investments in debt and equity securities was updated to: (i) clarify the interaction of the factors that should be considered when determining whether a debt security is other than temporarily impaired, (ii) provide guidance on the amount of an other-than-temporary impairment recognized for a debt security in earnings and other comprehensive income and (iii) expand the disclosures required for other-than-temporary impairments for debt and equity securities. Also in April 2009, the guidance for financial instruments was updated to require disclosures about the fair value of financial instruments for interim reporting periods of publicly traded companies as well as in annual financial statements. Adoption of this updated guidance was required for the Company s interim reporting period beginning April 1, 2009 with early adoption permitted. The Company adopted the updated guidance for the interim period ended March 31, 2009. Refer to Note 15 for further details regarding the Company s assets and liabilities measured at fair value.

Recently Issued Accounting Pronouncements

Fair Value Accounting

In August 2009, the ASC guidance for fair value measurements and disclosure was updated to further define fair value of liabilities. This update provides clarification for circumstances in which: (i) a quoted price in an active market for the identical liability is not available, (ii) the liability has a restriction that prevents its transfer, and (iii) the identical liability is traded as an asset in an active market in which no adjustments to the quoted price of an asset are required. The updated guidance is effective for the Company s interim reporting period beginning October 1, 2009. The Company is evaluating the potential impact of adopting this guidance on the Company s consolidated financial position, results of operations and cash flows.

Variable Interest Entities

In June 2009, the ASC guidance for consolidation accounting was updated to require an entity to perform a qualitative analysis to determine whether the enterprise s variable interest gives it a controlling financial interest in a variable interest entity (VIE). This analysis identifies a primary beneficiary of a VIE as the entity that has both of the following characteristics: (i) the power to direct the activities of a VIE that most significantly impact the entity s economic performance and (ii) the obligation to absorb losses or receive benefits from the entity that could potentially be

significant to the VIE. The updated guidance also requires ongoing reassessments of the primary beneficiary of a VIE. The updated guidance is effective for the Company s fiscal year beginning January 1, 2010. The Company currently accounts for Nusa Tenggara Partnership (NTP) as a VIE and is evaluating the potential impact of adopting this guidance on the Company s consolidated financial position, results of operations and cash flows.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

NOTE 3 ADVANCED PROJECTS, RESEARCH AND DEVELOPMENT

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Boddington	$ 11	$ 1	$ 24	$ 3
Hope Bay	2	16	18	29
Technical and project services	6	5	18	15
Corporate	3	3	10	10
Nevada underground	1	1	9	1
Akyem	2	2	5	5
Fort a la Corne JV		6	1	19
Other	2	10	15	31
	$ 27	$ 44	$ 100	$ 113

NOTE 4 OTHER EXPENSE, NET

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Boddington acquisition costs (Note 14)	$	$	$ 67	$
Regional administration	14	10	40	31
Community development	12	15	33	47
Western Australia power plant	18	2	27	15
Peruvian royalty	8	4	19	15
Workforce reduction			15	
Batu Hijau divestiture	3	2	9	7
Accretion, non-operating (Note 23)	3	2	9	7
World Gold Council dues	2	3	8	8
Reclamation estimate revisions (Note 23)		13		74
Pension settlement loss (Note 6)		1		12
Provision for bad debts		11		11
Other	7	6	32	22
	$ 67	$ 69	$ 259	$ 249

NOTE 5 OTHER INCOME, NET

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Canadian Oil Sands Trust income	$ 7	$ 36	$ 16	$ 91
Refinery income	9	2	13	2
Interest income	2	7	11	24
Gain on sale of investments, net	2	19	2	29

Foreign currency exchange gains (losses), net	2	(7)		(20)
Gain on sale of exploration property		32		32
Income from development projects, net		3		12
(Loss) gain on ineffective portion of derivative instruments, net (Note 16)	(1)	3	(5)	5
Impairment of marketable securities (Note 17)		(34)	(6)	(90)
Other	4	5	12	15
	$ 25	$ 66	$ 43	$ 100

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

NOTE 6 EMPLOYEE PENSION AND OTHER BENEFIT PLANS

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Pension benefit costs, net				
Service cost	$ 5	$ 4	$ 14	$ 12
Interest cost	8	7	24	22
Expected return on plan assets	(8)	(7)	(22)	(21)
Amortization of prior service cost			1	
Amortization of loss	4		11	2
	$ 9	$ 4	$ 28	$ 15

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Other benefit costs, net				
Service cost	$ 1	$	$ 2	$ 1
Interest cost	1	1	4	3
Amortization of gain				(1)
	$ 2	$ 1	$ 6	$ 3

For the three months ended September 30, 2009 and 2008, the Company recognized pension settlement losses of $nil and $1, respectively, related to senior management retirements. For the nine months ended September 30, 2009 and 2008, the Company recognized pension settlement losses of $nil and $12, respectively, related to senior management retirements. These costs were recorded in *Other expense, net* (see Note 4).

NOTE 7 STOCK BASED COMPENSATION

The Company recognized stock options and other stock based compensation as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Stock options	$ 3	$ 5	$ 11	$ 13
Restricted stock units	3		6	
Deferred stock awards	2	3	10	8
Restricted stock awards		1	3	4
	$ 8	$ 9	$ 30	$ 25

For the three months ended September 30, 2009 and 2008, no stock options were granted. For the nine months ended September 30, 2009 and 2008, 1,157,825 and 1,116,963 stock options, respectively, were granted at a weighted-average exercise price of $40 and $44, respectively, per underlying share of the Company s common stock. At September 30, 2009, unrecognized compensation costs related to unvested stock options was $22. This cost is

expected to be recognized over a weighted-average period of approximately 2.2 years.

For the three months ended September 30, 2009 and 2008, no shares of restricted stock units were granted. For the nine months ended September 30, 2009 and 2008, 490,273 and 8,927 shares of restricted stock units, respectively, were granted, at a weighted-average fair market value of $42 and $49, respectively.

No deferred stock awards were granted during the three and nine months ended September 30, 2009, and the three months ended September 30, 2008. For the nine months ended September 30, 2008, 394,095 deferred stock awards were granted at a weighted-average fair market value of $44.

No restricted stock awards were granted during the three and nine months ended September 30, 2009. For the three and nine months ended September 30, 2008, 4,034 and 118,697 shares of restricted stock, respectively, were granted and issued, at a weighted-average fair market value of $50 and $49, respectively.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

NOTE 8 INCOME TAXES

The Company operates in numerous countries around the world and accordingly it is subject to, and pays annual income taxes under, the various income tax regimes in the countries in which it operates. Some of these tax regimes are defined by contractual agreements with the local government, and others are defined by the general corporate income tax laws of the country. The Company has historically filed, and continues to file, all required income tax returns and paid the taxes reasonably determined to be due. The tax rules and regulations in many countries are highly complex and subject to interpretation. From time to time, the Company is subject to a review of its historic income tax filings and in connection with such reviews, disputes can arise with the taxing authorities over the interpretation or application of certain rules to the Company s business conducted within the country involved. At September 30, 2009, the Company s total unrecognized tax benefit was $120 for uncertain tax positions taken or expected to be taken on tax returns. Of this, $93 represents the amount of unrecognized tax benefits that, if recognized, would affect the Company s effective income tax rate. Also included in the balance at September 30, 2009 is $12 of tax positions that, due to the impact of deferred tax accounting, the potential disallowance of which would not affect the annual effective tax rate.

In April 2009, the United States Tax Court issued an opinion for Santa Fe Pacific Gold Company and Subsidiaries (Santa Fe), by and through its successor in interest, Newmont USA Limited, a member of the Newmont Mining Corporation (Newmont) affiliated group. The Tax Court ruled in favor of Santa Fe regarding the deductibility of a termination fee that had been paid in 1997 as part of a merger agreement. At September 30, 2009, Newmont had not been notified by the Commissioner of the Internal Revenue Service (Commissioner) regarding a decision to appeal the Tax Court Ruling. If the Commissioner does not file an appeal, the Company will be decreasing its liability and accrued interest for uncertain income tax positions in the fourth quarter of 2009.

As a result of (i) statute of limitations that expire in the next 12 months in various jurisdictions, (ii) the effects of the aforementioned closure with respect to the Santa Fe matters described above and (iii) possible settlements of audit-related issues with taxing authorities in various jurisdictions, the Company believes that it is reasonably possible that the total amount of its net unrecognized income tax benefits will decrease by approximately $55 to $87 in the next 12 months.

NOTE 9 DISCONTINUED OPERATIONS

Discontinued operations include the Company s Kori Kollo operation sold in July 2009 and the royalty portfolio and Pajingo operations, both sold in December 2007.

The Company has reclassified the historical balance sheet amounts and the income statement results to *Assets* and *Liabilities of operations held for sale* on the Condensed Consolidated Balance Sheets and to *Income (loss) from discontinued operations* in the Condensed Consolidated Statements of Income for all periods presented. The Condensed Consolidated Statements of Cash Flows have been reclassified for assets held for sale and discontinued operations for all periods presented.

The following table details selected financial information included in the *Income (loss) from discontinued operations* in the Condensed Consolidated Statements of Income:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Sales gold, net	$	$ 21	$ 32	$ 58
Income (loss) from operations	$	$ (19)	$ 1	$ (7)
Loss on impairment			(44)	
Gain on sale of royalty portfolio				5

Gain on sale of Pajingo assets				1
Pre-tax loss		(19)	(43)	(1)
Income tax benefit		26	29	18
Income (loss) from discontinued operations	$	$ 7	$ (14)	$ 17

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

The major classes of *Assets* and *Liabilities of operations held for sale* in the Condensed Consolidated Balance Sheets are as follows:

	At September 30, 2009	At December 31, 2008
Assets:		
Accounts receivable	$	$ 9
Inventories		12
Stockpiles and ore on leach pads		43
Property, plant and mine development		4
Deferred income tax assets	31	2
Other assets		3
Total assets of operations held for sale	$ 31	$ 73
Liabilities:		
Current and long-term debt	$	$ 4
Accounts payable		1
Employee-related benefits		8
Reclamation and remediation liabilities		17
Other liabilities	13	6
Total liabilities of operations held for sale	$ 13	$ 36

The following table details selected financial information included in *Net cash provided from (used in) discontinued operations*, *Net cash used in investing activities of discontinued operations* and *Net cash used in financing activities of discontinued operations*:

	Nine Months Ended September 30, 2009	2008
Net cash provided from (used in) discontinued operations:		
(Loss) income from discontinued operations	$ (14)	$ 17
Impairment of assets held for sale	44	
Write-down of inventory	7	
Amortization	3	7
Deferred income taxes	(30)	(1)
Other operating adjustments	1	15
Decrease in net operating liabilities	(8)	(143)
	$ 3	$ (105)

Net cash used in investing activities of discontinued operations:

Additions to property, plant and mine development	$	$ (5)
Proceeds from asset sales, net		(6)
	$	$ (11)
Net cash used in financing activities of discontinued operations:		
Repayment of debt	$ (2)	$ (3)
	$ (2)	$ (3)

NOTE 10 NONCONTROLLING INTERESTS

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	**2008**	**2009**	**2008**
Batu Hijau	$ 156	$ (17)	$ 248	$ 103
Yanacocha	99	49	243	188
Other	2	(1)	(2)	
	$ 257	$ 31	$ 489	$ 291

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

Newmont currently has a 45% ownership interest in Batu Hijau, held through NTP with an affiliate of Sumitomo Corporation of Japan (Sumitomo). Newmont has a 56.25% interest in NTP and the Sumitomo affiliate holds the remaining 43.75%. NTP in turn owns 80% of P.T. Newmont Nusa Tenggara (PTNNT), the Indonesian subsidiary that operates the Batu Hijau mine. Newmont identified NTP as a VIE as a result of certain capital structures and contractual relationships and has fully consolidated Batu Hijau in its consolidated financial statements since January 1, 2004. The remaining 20% interest in PTNNT is owned by P.T. Pukuafu Indah (PTPI), an unrelated Indonesian company. NTP s interest in PTNNT was the subject of an international arbitration proceeding and a final award concerning PTNNT s interest was issued by the arbitration panel on March 31, 2009. For further information concerning the arbitration award, see Note 27.

Newmont has a 51.35% ownership interest in Yanacocha, with the remaining interests held by Compañia de Minas Buenaventura, S.A.A. (43.65%) and the International Finance Corporation (5%).

In April 2008, the Company purchased 15,960 additional shares of European Gold Refineries SA joint venture (EGR) for $11 in cash increasing its ownership interest to 56.67% from 46.72%. The acquisition of the additional interest resulted in the consolidation of EGR. In November 2008, EGR repurchased 6.55% of its own shares from a minority shareholder bringing Newmont s ownership to 60.64%. Swiss residents hold the remaining 39.36%. Prior to consolidation, the Company accounted for EGR using the equity method of accounting.

NOTE 11 INCOME PER COMMON SHARE

Basic income per common share is computed by dividing income available to Newmont common stockholders by the weighted average number of common shares outstanding during the period. Diluted income per common share is computed similarly to basic income per common share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potentially dilutive common shares had been issued.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Numerator:				
Net income attributable to Newmont stockholders				
Continuing operations	$ 388	$ 182	$ 748	$ 809
Discontinued operations		9	(9)	18
	$ 388	$ 191	$ 739	$ 827
Denominator:				
Basic	490	454	485	454
Effect of employee stock-based awards	1	1	1	2
Diluted	491	455	486	456
Net income attributable to Newmont stockholders per common share				
Basic:				
Continuing operations	$ 0.79	$ 0.40	$ 1.54	$ 1.78
Discontinued operations		0.02	(0.02)	0.04

	$ 0.79	$ 0.42	$ 1.52	$ 1.82
Diluted:				
Continuing operations	$ 0.79	$ 0.40	$ 1.54	$ 1.77
Discontinued operations		0.02	(0.02)	0.04
	$ 0.79	$ 0.42	$ 1.52	$ 1.81

In February 2009, the Company completed a public offering of 34,500,000 shares of common stock at $37 per share for net proceeds of $1,233.

Options to purchase 5.1 million and 1.1 million shares of common stock at average exercise prices of $46 and $55 were outstanding at September 30, 2009 and 2008, respectively, but were not included in the computation of diluted weighted average number of common shares because the exercise prices of the options exceeded the price of the common stock.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

In July 2007 and February 2009, Newmont issued $1,150 and $518, respectively, of convertible notes that, if converted in the future, would have a potentially dilutive effect on the Company s stock. Under the indenture for the convertible notes, upon conversion Newmont is required to settle the principal amount of the convertible notes in cash and may elect to settle the remaining conversion obligation (stock price in excess of the conversion price) in cash, shares or a combination thereof. The effect of contingently convertible instruments on diluted earnings per share is calculated under the net share settlement method in accordance with accounting guidance for earnings per share. Under the net share settlement method, the Company includes the amount of shares it would take to satisfy the conversion obligation, assuming that all of the convertible notes are surrendered. The average closing price of the Company s common stock for each of the periods presented is used as the basis for determining dilution. The average price of the Company s common stock for all periods presented did not exceed the conversion price of $46.25 and $46.21 for the notes issued in 2009 and 2007, respectively, and therefore, did not have a dilutive effect on earnings per share.

In connection with the 2007 convertible senior notes offering, the Company entered into Call Spread Transactions. These transactions included the purchase of call options and the sale of warrants. As a result of the Call Spread Transactions, the conversion price of $46.21 was effectively increased to $60.27. Should the warrant transactions become dilutive to the Company s earnings per share (i.e. Newmont s share price exceeds $60.27) the underlying shares will be included in the computation of diluted income per common share.

NOTE 12 COMPREHENSIVE INCOME (LOSS)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Net income	$ 645	$ 222	$ 1,228	$ 1,118
Other comprehensive income (loss), net of tax:				
Unrealized gain (loss) on marketable securities (Note 17)	120	(481)	312	(77)
Foreign currency translation adjustments	118	(103)	207	(120)
Pension and other benefit liability adjustments	3	1	6	9
Change in fair value of cash flow hedge instruments:				
Net change from periodic revaluations	77	(106)	163	(55)
Net amount reclassified to income	(5)	(2)	19	(10)
Net unrecognized gain (loss) on derivatives	72	(108)	182	(65)
	313	(691)	707	(253)
Comprehensive income (loss)	$ 958	$ (469)	$ 1,935	$ 865
Comprehensive income (loss) attributable to:				
Newmont stockholders	$ 700	$ (498)	$ 1,444	$ 576
Noncontrolling interests	258	29	491	289
	$ 958	$ (469)	$ 1,935	$ 865

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

NOTE 13 CHANGES IN EQUITY

	Nine Months Ended September 30,	
	2009	**2008**
Common stock:		
At beginning of period	$ 709	$ 696
Common stock offering	55	
Stock based compensation	2	2
Shares issued in exchange for exchangeable shares	2	6
At end of period	768	704
Additional paid-in capital:		
At beginning of period	6,831	6,916
Common stock offering	1,178	
Convertible debt issuance	46	
Common stock dividends	(45)	(136)
Stock based compensation	53	71
Shares issued in exchange for exchangeable shares	(3)	(7)
At end of period	8,060	6,844
Accumulated other comprehensive income (loss):		
At beginning of period	(253)	957
Other comprehensive income (loss) (Note 12)	707	(253)
At end of period	454	704
Retained earnings (deficit):		
At beginning of period	4	(809)
Net income attributable to Newmont stockholders	739	827
Common stock dividends	(102)	
At end of period	641	18
Noncontrolling interests:		
At beginning of period	1,370	1,449
Net income attributable to noncontrolling interests	489	291
Dividends paid to noncontrolling interests	(115)	(247)
Other comprehensive income (loss)	2	(2)
Acquisition of noncontrolling interest in Miramar Mining Corporation		(39)
Acquisition of noncontrolling interest in EGR		24
At end of period	1,746	1,476

Total equity	$ 11,669	$ 9,746

On February 3, 2009, the Company completed a public offering of $518 convertible senior notes, including notes offered to cover over-allotments, maturing on February 15, 2012 for net proceeds of $504 after deducting the underwriters discount and expenses of the offering (see Note 21). Additionally, on February 3, 2009, the Company completed a public offering of 34,500,000 shares of common stock, including shares offered to cover over-allotments, at a price of $37 per share, for net proceeds of $1,233 after deducting the underwriters discount and expenses of the offering.

NOTE 14 ACQUISITIONS

On June 25, 2009, the Company completed the acquisition of the remaining 33.33% interest in Boddington from AngloGold Ashanti Australia Limited (AngloGold). The valuation date for the transaction is January 1, 2009, and closing adjustments were made to reflect Newmont s economic ownership from that date. Consideration for the acquisition consists of $750 less an $8 closing adjustment paid in cash at closing, $240 payable in cash and/or Newmont common stock, at the Company s option, by December 2009, and a contingent royalty capped at $100, equal to 50% of the average realized operating margin (Revenue less *Costs applicable to sales* on a by-product basis), if any, exceeding $600 per ounce, payable quarterly on one-third of gold sales from Boddington.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

The following table summarizes the consideration to acquire the remaining interest in Boddington:

Cash	$	742
Cash and/or common shares		240
Contingent consideration (fair value)		62
	$	1,044

The Company estimates that the fair value of the contingent consideration is approximately $62, and recognized this as part of the purchase price at the acquisition date. Amounts are payable under the contingent royalty beginning in the second quarter of 2010. The range of undiscounted amounts the Company could pay is between $0 and $100. The fair value of the contingent royalty recognized was estimated by applying the income approach. See Note 15 for a description of the key inputs used in deriving fair value.

In connection with the acquisition, Newmont incurred transaction costs of $67 (shown in Note 4, *Other expense, net)*, including Australian stamp duties. $14 of these costs were paid at September 30, 2009. Additionally, in June 2009, Newmont paid $182 to reimburse AngloGold for its share of capital and other project expenditures from January 1, 2009 to June 25, 2009. The reimbursement of capital expenditures is included in *Property, plant and mine development, net*, and as *Additions to property, plant and mine development* on the cash flow statement.

The purchase price allocation based on the estimated fair values of assets acquired and liabilities assumed is as follows:

Assets:		
Cash	$	1
Property, plant and mine development, net		1,073
Inventories and stockpiles		7
Deferred income tax asset		28
Other assets		11
	$	1,120
Liabilities:		
Accrued liabilities	$	33
Reclamation liabilities		15
Deferred income tax liability		28
		76
Net assets acquired	$	1,044

In the first quarter of 2009, La Herradura (of which Newmont owns 44%) purchased a mining property near its Mexico operation for cash consideration of $11 (Newmont s 44% share).

The pro forma impact of all 2009 acquisitions on *Net Income* was not material.

In December 2007, the Company purchased approximately 70% of the common shares of Miramar Mining Corporation (Miramar), which, in addition to the shares previously owned, brought the Company s interest in Miramar to approximately 78%. During the first quarter of 2008, the Company completed the acquisition of 100% of Miramar.

NOTE 15 FAIR VALUE ACCOUNTING

Fair value accounting establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
Level 2	Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and
Level 3	Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

The following table sets forth the Company s assets and liabilities measured at fair value on a recurring basis (at least annually) by level within the fair value hierarchy. As required by accounting guidance, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Fair Value at September 30, 2009			
	Total	Level 1	Level 2	Level 3
Assets:				
Cash equivalents	$ 1,733	$ 1,733	$	$
Marketable equity securities	1,029	1,029		
Corporate marketable debt securities	10	10		
Other marketable debt securities:				
Asset backed commercial paper	18			18
Auction rate securities	5			5
Trade receivable from provisional copper and gold concentrate sales, net	191	191		
Derivative instruments, net	149		149	
	$ 3,135	$ 2,963	$ 149	$ 23
Liabilities:				
8 5/8% debentures ($100 hedged portion)	$ 97	$	$ 97	$
Boddington contingent consideration	62			62
	$ 159	$	$ 97	$ 62

The Company s cash equivalent instruments are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices. The cash equivalent instruments that are valued based on quoted market prices in active markets are primarily money market securities and U.S. Treasury securities.

The Company s marketable equity securities are valued using quoted market prices in active markets and as such are classified within Level 1 of the fair value hierarchy. The fair value of the marketable equity securities is calculated as the quoted market price of the marketable equity security multiplied by the quantity of shares held by the Company.

The Company s corporate marketable debt securities are valued using quoted market prices in active markets and as such are classified within Level 1 of the fair value hierarchy. The Company s other marketable debt securities include investments in asset backed commercial paper and auction rate securities. In January 2009, the investments in the Company s asset backed commercial paper were restructured under court order. The restructuring allowed a return of a portion of the investment and interest distribution to be made to investors. The Company estimated the fair value of the asset backed commercial paper using a probability of return to each class of notes reflective of information reviewed regarding the separate classes of securities. The auction rate securities are traded in markets that are not active, trade infrequently and have little price transparency. The Company estimated the fair value of the auction rate securities based on weighted average risk calculations. The asset backed commercial paper and auction rate securities are classified within Level 3 of the fair value hierarchy.

The Company s net trade receivable from provisional copper and gold concentrate sales is valued using quoted market prices based on the forward London Metal Exchange (LME) (copper) and the London Bullion Market Association P.M. fix (London P.M. fix) (gold) and, as such, is classified within Level 1 of the fair value hierarchy.

The Company s derivative instruments are valued using pricing models and the Company generally uses similar models to value similar instruments. Where possible, the Company verifies the values produced by its pricing models

to market prices. Valuation models require a variety of inputs, including contractual terms, market prices, yield curves, credit spreads, measures of volatility, and correlations of such inputs. The Company s derivatives trade in liquid markets, and as such, model inputs can generally be verified and do not involve significant management judgment. Such instruments are classified within Level 2 of the fair value hierarchy.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

The Company has fixed to floating swap contracts to hedge a portion of the interest rate risk exposure of its 8 5/8% uncollateralized debentures due May 2011. The hedged portion of the Company s 8 5/8% debentures are valued using pricing models which require inputs, including risk-free interest rates and credit spreads. Because the inputs are derived from observable market data, the hedged portion of the 8 5/8% debentures is classified within Level 2 of the fair value hierarchy.

The Company has recorded a contingent consideration liability related to the acquisition of the remaining 33.33% interest in Boddington (Note 14). The value of the contingent consideration was determined using a valuation model which simulates future gold and copper prices and costs applicable to sales to estimate fair value. The contingent consideration liability is classified within Level 3 of the fair value hierarchy.

The table below sets forth a summary of changes in the fair value of the Company s Level 3 financial assets and liabilities for the nine months ended September 30, 2009.

	Auction Rate Securities	Asset Backed Commercial Paper	Boddington Contingent Consideration	Total
Balance at beginning of period	$ 5	$ 22	$	$ 27
Settlements		(4)		(4)
Transfers in			62	62
Balance at end of period	$ 5	$ 18	$ 62	$ 85

At September 30, 2009, the assets and liabilities classified within Level 3 of the fair value hierarchy represent 1% and 39% of the total assets and liabilities measured at fair value, respectively.

NOTE 16 DERIVATIVE INSTRUMENTS

The Company is exposed to certain financial and market risks relating to its ongoing business operations. The primary risks managed by using derivative instruments are foreign currency exchange risk, diesel price risk, and interest rate risk. In accordance with hedge accounting guidance, the Company designated currency fixed forward and option contracts as cash flow hedges, diesel forward contracts as cash flow hedges, treasury rate lock contracts as cash flow hedges of proceeds realized from debt issuances, and interest rate swap contracts as fair value hedges of a fixed-rate borrowing. All of the derivative instruments were transacted for risk management purposes and qualify as hedging instruments. The maximum period over which hedged forecasted transactions are expected to occur is three years.

Cash Flow Hedges

Foreign Currency Contracts

Newmont utilizes foreign currency contracts to reduce the variability of the US dollar amount of forecasted foreign currency expenditures caused by changes in currency rates. Newmont hedges up to 80% of the Company s IDR denominated operating expenditures which results in a blended IDR/$ rate realized each period. The hedging instruments are forward purchase contracts with expiration dates ranging up to one year from the date of issue. The principal hedging objective is reduction in the volatility of realized period-on-period IDR/$ rates. For the three months ended September 30, 2009 and 2008, the IDR/$ forward purchase contracts reduced Batu Hijau *Costs applicable to sales* by $1. For the nine months ended September 30, 2009 and 2008, the IDR/$ forward purchase contracts increased Batu Hijau *Costs applicable to sales* by $1 and reduced Batu Hijau *Costs applicable to sales* by $2, respectively. At September 30, 2009, the Company has hedged 20% of its expected remaining 2009 IDR operating expenditures.

The Company hedges up to 85% of the Company s A$ denominated operating expenditures with forward contracts that have expiration dates ranging up to three years from the date of issue. The principal hedging objective is reduction in

the volatility of realized period-on-period $/A$ rates. Each month, fixed forward contracts are obtained to hedge 1/36th of the forecasted monthly A$ operating cost exposure in the rolling three-year hedge period resulting in a blended $/A$ rate realized. For the three months ended September 30, 2009 and 2008, the A$ operating hedging instruments reduced Australia/New Zealand *Costs applicable to sales* by $4 and $nil, respectively. For the nine months ended September 30, 2009 and 2008, the A$ operating hedging instruments increased Australia/New Zealand *Costs applicable to sales* by $21 and reduced Australia/New Zealand *Costs applicable to sales* by $5, respectively. At September 30, 2009, the Company has hedged 78% of its expected remaining 2009 A$ operating expenditures, and 53%, 30% and 9% of its expected 2010, 2011 and 2012 A$ operating expenditures, respectively.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

The Company hedges up to 75% of the Company s NZ$ denominated operating expenditures with forward contracts that have expiration dates ranging up to two years from the date of issue. The principal hedging objective is reduction in the volatility of realized period-on-period $/NZ$ rates. Each month, fixed forward contracts are obtained to hedge 1/24th of the forecasted monthly NZ$ operating cost exposure in the rolling two-year hedge period resulting in a blended $/NZ$ rate realized. For the three months ended September 30, 2009 and 2008, the NZ$ operating hedging instruments reduced Australia/New Zealand *Costs applicable to sales* by $nil. For the nine months ended September 30, 2009 and 2008, the NZ$ operating hedging instruments increased Australia/New Zealand *Costs applicable to sales* by $3 and $nil, respectively. At September 30, 2009, the Company has hedged 68% of its expected remaining 2009 NZ$ operating expenditures, and 42% and 9% of its expected 2010 and 2011 NZ$ operating expenditures, respectively.

The Company hedges up to 95% of the Company s A$ denominated capital expenditures related to the construction of Boddington. The hedging instruments consist of a series of fixed forward contracts with expiration dates ranging up to one year from the date of issue. The realized gains and losses associated with the capital expenditure hedge program will impact *Amortization* during future periods in which the Boddington assets are placed into service. At September 30, 2009, the Company has hedged 33% of its expected remaining A$ denominated Boddington capital expenditures.

All of the foreign currency contracts were designated as cash flow hedges, and as such, the effective portion of unrealized changes in market value have been recorded in *Accumulated other comprehensive income (loss)* and are recorded in earnings during the period in which the hedged transaction affects earnings. Gains and losses on the derivative representing hedge ineffectiveness are recognized in current earnings.

Newmont had the following foreign currency derivative contracts outstanding at September 30, 2009:

	Expected Maturity Date				
	2009	2010	2011	2012	Total/ Average
IDR Forward Purchase Contracts:					
$ (millions)	$ 6	$	$	$	$ 6
Average rate (IDR/$)	10,584				10,584
IDR notional (millions)	63,501				63,501
A$ Operating Forward Purchase Contracts:					
$ (millions)	$ 118	$ 489	$ 275	$ 61	$ 943
Average rate ($/A$)	0.77	0.76	0.72	0.73	0.75
A$ notional (millions)	154	644	379	83	1,260
NZ$ Operating Forward Purchase Contracts:					
$ (millions)	$ 12	$ 28	$ 6	$	$ 46
Average rate ($/NZ$)	0.64	0.62	0.63		0.63
NZ$ notional (millions)	19	46	9		74
A$ Boddington Capital Forward Purchase Contracts:					
$ (millions)	$ 25	$	$	$	$ 25
Average rate ($/A$)	0.80				0.80
A$ notional (millions)	31				31

Diesel Fixed Forward Contracts

Newmont hedges up to 66% of its operating cost exposure related to diesel prices of fuel consumed at its Nevada operations to reduce the variability in realized diesel prices. The hedging instruments consist of a series of financially settled fixed forward contracts with expiration dates of up to two years from the date of issue. For the three months

ended September 30, 2009 and 2008, the Nevada diesel hedge program increased Nevada *Costs applicable to sales* by $2 and $nil, respectively. For the nine months ended September 30, 2009 and 2008, the Nevada diesel hedge program increased Nevada *Costs applicable to sales* by $13 and $nil, respectively. The contracts have been designated as cash flow hedges of future diesel purchases, and as such, the effective portion of unrealized changes in the market value have been recorded in *Accumulated other comprehensive income (loss)* and are recorded in earnings during the period in which the hedged transaction affects earnings. Gains and losses from hedge ineffectiveness are recognized in current earnings. At September 30, 2009, the Company has hedged 64% of its expected remaining 2009 Nevada diesel expenditures, and 43% and 14% of its expected 2010 and 2011 Nevada diesel expenditures, respectively.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

Newmont had the following diesel derivative contracts outstanding at September 30, 2009:

	Expected Maturity Date			
	2009	2010	2011	Total/ Average
Diesel Forward Purchase Contracts:				
$ (millions)	$ 12	$ 33	$ 9	$ 54
Average rate ($/gallon)	1.78	1.90	2.07	1.90
Diesel gallons (millions)	7	17	4	28

Treasury Rate Lock Contracts

In connection with the 2019 and 2039 notes issued in September 2009, Newmont acquired treasury rate lock contracts to reduce the variability of the proceeds realized from the bond issuances. The treasury rate locks resulted in $6 and $5 unrealized gains for the 2019 and 2039 notes, respectively. The Company previously acquired treasury rate locks in connection with the issuance of the 2035 notes that resulted in a $10 unrealized loss. The gains/losses from these contracts will be recognized over the terms of the respective notes.

Fair Value Hedges

Interest Rate Swap Contracts

At September 30, 2009, Newmont had $100 fixed to floating swap contracts designated as a hedge against a portion of its 8 5/8% debentures due 2011. The interest rate swap contracts provide balance to the Company s mix of fixed and floating rate debt. Under the hedge contract terms, the Company receives fixed-rate interest payments at 8.625% and pays floating-rate interest amounts based on periodic London Interbank Offered Rate (LIBOR) settings plus a spread, ranging from 2.60% to 3.49%. The interest rate swap contracts were designated as fair value hedges, and as such, changes in fair value have been recorded in income in each period, consistent with recording changes to the mark-to-market value of the underlying hedged liability in income. Changes in the mark-to-market value of the effective portion of the interest rate swap contracts are recognized as a component of *Interest expense, net.* The hedge contracts decreased *Interest expense, net* by $1 and $nil for the three months ended September 30, 2009 and 2008, respectively, and decreased *Interest expense, net* by $3 and $1 for the nine months ended September 30, 2009 and 2008, respectively. For the three months ended September 30, 2009 and 2008, losses of $1 and $nil were included in *Other income, net* for the ineffective portion of derivative instruments designated as fair value hedges, respectively. For the nine months ended September 30, 2009 and 2008, losses of $2 and $nil, respectively, were included in *Other income, net* for the ineffective portion of derivative instruments designated as fair value hedges.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

Derivative Instrument Fair Values

Newmont had the following derivative instruments designated as hedges with fair values at September 30, 2009 and December 31, 2008:

	Fair Values of Derivative Instruments At September 30, 2009			
	Other Current Assets	Other Long-Term Assets	Other Current Liabilities	Other Long-Term Liabilities
Foreign currency exchange contracts:				
IDR operating forward purchase contracts	$ 1	$	$	$
NZ$ operating forward contracts	5	1		
A$ forward purchase contracts	72	59		
Diesel forward contracts	2	1		
Interest rate swap contracts	2	6		
Total derivative instruments (Notes 20 and 22)	$ 82	$ 67	$	$

	Fair Values of Derivative Instruments At December 31, 2008			
	Other Current Assets	Other Long-Term Assets	Other Current Liabilities	Other Long-Term Liabilities
Foreign currency exchange contracts:				
IDR operating forward purchase contracts	$	$	$ 4	$
NZ$ operating forward contracts			5	1
A$ forward purchase contracts	3	1	87	42
A$ call option contracts	1			
Diesel forward contracts			15	
Interest rate swap contracts	2	7		
Total derivative instruments (Notes 20 and 22)	$ 6	$ 8	$ 111	$ 43

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

The following tables show the location and amount of gains (losses) reported in the Company s Condensed Consolidated Financial Statements related to the Company s cash flow and fair value hedges and the gains (losses) recorded for the hedged item related to the fair value hedges.

	Foreign Currency Exchange Contracts		Diesel Forward Contracts		Treasury Rate Lock Contracts	
	2009	2008	2009	2008	2009	2008
Cash flow hedging relationships:						
For the three months ended September 30,						
Gain (loss) recognized in other comprehensive income (effective portion)	$ 102	$ (148)	$ (1)	$ (5)	$ 11	$
Gain (loss) reclassified from Accumulated other comprehensive income into income (effective portion) [1]	2	2	(2)			
	$ 104	$ (146)	$ (3)	$ (5)	$ 11	$
For the nine months ended September 30,						
Gain (loss) recognized in other comprehensive income (effective portion)	$ 220	$ (74)	$ 3	$ (3)	$ 11	$
(Loss) gain reclassified from Accumulated other comprehensive income into income (effective portion) [1]	(28)	8	(13)			
	$ 192	$ (66)	$ (10)	$ (3)	$ 11	$

[1] The gain (loss) for the effective portion of foreign exchange and diesel cash flow hedges reclassified from *Accumulated other comprehensive income* is recorded in *Costs applicable*

to sales. The gain for the effective portion of treasury rate lock cash flow hedges reclassified from *Accumulated other comprehensive income* is recorded in *Interest expense, net*.

The amount to be reclassified from *Accumulated other comprehensive income (loss)*, net of tax to income for derivative instruments during the next 12 months is a gain of approximately $56.

	Interest Rate Swap Contracts		8 5/8% Debentures (Hedged Portion)	
	2009	2008	2009	2008
Fair value hedging relationships:				
For the three months ended September 30,				
Gain (loss) recognized in income (effective portion) [1]	$ 1	$	$ (1)	$ (1)
(Loss) gain recognized in income (ineffective portion) [2]	(1)			3
	$	$	$ (1)	$ 2
For the nine months ended September 30,				
Gain (loss) recognized in income (effective portion) [1]	$ 3	$ 1	$ (2)	$ (2)
(Loss) gain recognized in income (ineffective portion) [2]	(2)		(3)	5
	$ 1	$ 1	$ (5)	$ 3

[1] The gain (loss) recognized for the effective portion of fair value hedges and the underlying hedged debt is included in *Interest expense, net*.

(2) The ineffective portion recognized for fair value hedges and the underlying hedged debt is included in *Other income, net*.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

Provisional Copper and Gold Sales

LME copper prices averaged $2.65 per pound during the three months ended September 30, 2009, compared with the Company s recorded average provisional price of $2.73 per pound before mark-to-market gains and treatment and refining charges. LME copper prices averaged $2.12 per pound during the nine months ended September 30, 2009, compared with the Company s recorded average provisional price of $2.23 per pound before mark-to-market gains and treatment and refining charges. The applicable forward copper price at the end of the quarter was $2.79 per pound. During the three months ended September 30, 2009, increasing copper prices resulted in a provisional pricing mark-to-market gain of $48 ($0.34 per pound). During the nine months ended September 30, 2009, changes in copper prices resulted in a provisional pricing mark-to-market gain of $112 ($0.33 per pound). At September 30, 2009, the Company had copper sales of 140 million pounds priced at an average of $2.79 per pound, subject to final pricing over the next several months.

The average London P.M. gold fix was $960 per ounce during the three months ended September 30, 2009, compared with the Company s recorded average provisional gold price of $961 per ounce before mark-to-market gains and treatment and refining charges. The average London P.M. gold fix was $931 per ounce during the nine months ended September 30, 2009, compared with the Company s recorded average provisional gold price of $930 per ounce before mark-to-market gains and treatment and refining charges. The applicable forward gold price at the end of the quarter was $996 per ounce. During the three months ended September 30, 2009, changes in gold prices resulted in a provisional pricing mark-to-market gain of $5 ($3 per ounce). During the nine months ended September 30, 2009, changes in gold prices resulted in a provisional pricing mark-to-market gain of $6 ($1 per ounce). At September 30, 2009, the Company had gold sales of 96,000 ounces priced at an average of $996 per ounce, subject to final pricing over the next several months.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

NOTE 17 INVESTMENTS

	At September 30, 2009			
	Cost/Equity Basis	Unrealized Gain	Unrealized Loss	Fair/Equity Basis
Current:				
Marketable Equity Securities	$ 8	$ 11	$	$ 19
Long-term:				
Marketable Debt Securities:				
Asset backed securities	$ 25	$	$ (7)	$ 18
Auction rate securities	7		(2)	5
Corporate	8	2		10
	40	2	(9)	33
Marketable Equity Securities:				
Canadian Oil Sands Trust	285	593		878
Gabriel Resources Ltd.	72	29		101
Shore Gold Inc.	4	14		18
Other	9	4		13
	370	640		1,010
Other investments, at cost	7			7
Investment in Affiliate:				
AGR Matthey Joint Venture	19			19
	$ 436	$ 642	$ (9)	$ 1,069

	At December 31, 2008			
	Cost/Equity Basis	Unrealized Gain	Unrealized Loss	Fair/Equity Basis
Current:				
Marketable Equity Securities	$ 14	$ 1	$ (3)	$ 12
Long-term:				
Marketable Debt Securities:				
Asset backed securities	$ 25	$	$ (3)	$ 22
Auction rate securities	7		(2)	5
	32		(5)	27

Marketable Equity Securities:				
Canadian Oil Sands Trust	251	283		534
Gabriel Resources Ltd.	64			64
Shore Gold Inc.	6			6
Other	8		(3)	5
	329	283	(3)	609
Other investments, at cost	7			7
Investment in Affiliate:				
AGR Matthey Joint Venture	12			12
	$ 380	$ 283	$ (8)	$ 655

During the third quarter of 2009, the Company did not recognize any impairments for other-than temporary declines in value, resulting in total impairments for the first nine months of 2009 of $2 for Shore Gold Inc. and $4 for other marketable equity securities. During the third quarter of 2008, the Company recognized impairments for other-than temporary declines in value of $26 for Shore Gold Inc. and $8 for other marketable securities, resulting in total impairments of $58 for Shore Gold Inc., $13 for Gabriel Resources Ltd. and $19 for other marketable securities for the first nine months of 2008.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

The following tables present the gross unrealized losses and fair value of the Company s investments with unrealized losses that are not deemed to be other-than-temporarily impaired, aggregated by length of time that the individual securities have been in a continuous unrealized loss position:

	Less than 12 Months		12 Months or Greater		Total	
At September 30, 2009	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Asset backed securities	$ 18	$ 7	$	$	$ 18	$ 7
Auction rate securities			5	2	5	2
	$ 18	$ 7	$ 5	$ 2	$ 23	$ 9

	Less than 12 Months		12 Months or Greater		Total	
At December 31, 2008	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Marketable equity securities	$ 6	$ 6	$	$	$ 6	$ 6
Asset backed securities	22	3			22	3
Auction rate securities			5	2	5	2
	$ 28	$ 9	$ 5	$ 2	$ 33	$ 11

The unrealized loss of $9 and $11 at September 30, 2009 and December 31, 2008, respectively, relates to the Company s investments in marketable equity securities, auction rate securities and asset backed commercial paper as listed in the tables above. While the fair values of these investments are below their respective cost, the Company views these declines as temporary. Generally, the Company s policy is to treat a decline in a marketable equity security s quoted market value that has lasted continuously for more than six months as an other-than-temporary decline in value. The fair values of these marketable equity securities have not been continuously below cost for the past six months. The Company intends to hold its investment in auction rate securities and asset backed commercial paper until maturity or such time that the market recovers and therefore considers these losses temporary.

NOTE 18 INVENTORIES

	At September 30, 2009	At December 31, 2008
In-process	$ 70	$ 53
Concentrate	12	54
Precious metals	15	20
Materials, supplies and other	382	380
	$ 479	$ 507

During the first nine months of 2009, the Company recorded write-downs of $5 to reduce the carrying value of material and supplies inventories to net realizable value, primarily related to Nevada and Batu Hijau. During the first

nine months of 2008, the Company recorded write-downs of $1 to reduce the carrying value of material and supplies inventories to net realizable value, primarily related to Batu Hijau. Inventory write-downs are classified as components of *Costs applicable to sales*.

NOTE 19 STOCKPILES AND ORE ON LEACH PADS

	At September 30, 2009	At December 31, 2008
Current:		
Stockpiles	$ 158	$ 117
Ore on leach pads	196	173
	$ 354	$ 290
Long-term:		
Stockpiles	$ 1,113	$ 872
Ore on leach pads	298	264
	$ 1,411	$ 1,136

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

At September 30, 2009, stockpiles were primarily located at Batu Hijau ($788), Nevada ($250) and Australia/New Zealand ($140) and leach pads were primarily located at Yanacocha ($310) and Nevada ($177). During the first nine months of 2008, the Company recorded write-downs of $2 included in *Costs applicable to sales* in Australia/New Zealand to reduce the carrying value of stockpiles to net realized value. Stockpile write-downs are classified as components of *Costs applicable to sales*.

NOTE 20 OTHER ASSETS

	At September 30, 2009	At December 31, 2008
Other current assets:		
Refinery metal inventory and receivable	$ 355	$ 168
Derivative instruments (Note 16)	82	6
Other prepaid assets	64	43
Notes receivable	11	8
Prepaid income and mining taxes	11	187
Other	58	43
	$ 581	$ 455
Other long-term assets:		
Derivative instruments (Note 16)	$ 67	$ 8
Debt issuance costs	53	29
Restricted cash	30	33
Prepaid royalties	19	19
Other receivables	15	17
Corporate-owned life insurance	13	26
Prepaid maintenance costs	11	13
Other	53	62
	$ 261	$ 207

NOTE 21 DEBT

	At September 30, 2009		At December 31, 2008	
	Current	Non-Current	Current	Non-Current
Sale-leaseback of refractory ore treatment plant	$ 24	$ 164	$ 24	$ 188
8 5/8% debentures, net of discount (due 2011)		219		214
Corporate revolving credit facility (due 2012)				757
2012 convertible senior notes, net of discount		458		
2014 convertible senior notes, net of discount		463		448
2017 convertible senior notes, net of discount		413		401
5 1/8% senior notes, net of discount (due 2019)		896		
5 7/8% notes, net of discount (due 2035)		597		597
6 1/4% senior notes, net of discount (due 2039)		1,087		

PTNNT project financing facility	87	176	87	219
PTNNT shareholder loans	72		18	
Yanacocha credit facility	14	52	14	62
Yanacocha bonds	4	96		100
Ahafo project facility	10	70	9	66
Other project financings and capital leases	14	7	13	20
	$ 225	$ 4,698	$ 165	$ 3,072

During the first nine months of 2009, the Company repaid all borrowings under its $2,000 revolving credit facility and completed three debt offerings. In February, the Company issued $518 convertible senior notes maturing on February 15, 2012 for net proceeds of $504. The notes pay interest semi-annually at a rate of 3.0% per annum and the effective interest rate is 8.5%. The notes are convertible, at the holder s option, equivalent to a conversion price of $46.25 per share of common stock. The portion of the proceeds related to the conversion feature has been recognized as additional paid-in capital. In September, the Company completed a two part public offering of $900 and $1,100 senior notes maturing on October 1, 2019 and October 1, 2039, respectively. Net proceeds from the 2019 and 2039 notes were $896 and $1,082, respectively. The 2019 notes pay interest semi-annually at a rate of 5.125% per annum and the 2039 notes pay semi-annual interest of 6.25% per annum.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

During the first quarter of 2009, PTNNT shareholders loaned an additional $124 to PTNNT. Total principal outstanding under the shareholder loans was $165 and $41 at September 30, 2009 and December 31, 2008, respectively. At September 30, 2009 and December 31, 2008, 43.75% or approximately $72 and $18, respectively, were due to Nusa Tenggara Mining Corporation, an affiliate of Sumitomo Mining Corporation, an unrelated third party, and was non-recourse to Newmont, with the remainder payable to Newmont.

As further discussed in Note 27, through mid-October 2009 the Company provided a joint and several guarantee for the payment of principal and interest amounts associated with the PTNNT project financing facility, which was non-recourse to Newmont at December 31, 2008. On October 21, 2009, the Company provided letters of credit to the Senior Lenders to secure 56.25% of the PTNNT project financing facility, and as a result, the Company no longer provides a separate corporate guarantee in support of the financing.

Scheduled minimum debt repayments at September 30, 2009 are $127 for the remainder of 2009, $157 in 2010, $336 in 2011, $603 in 2012, $116 in 2013 and $3,584 thereafter.

NOTE 22 OTHER LIABILITIES

	At September 30, 2009	At December 31, 2008
Other current liabilities:		
Refinery metal payable	$ 355	$ 168
Boddington acquisition costs (Note 14)	292	
Accrued capital expenditures	214	107
Accrued operating costs	133	137
Reclamation and remediation costs (Note 23)	53	58
Interest	53	35
Royalties	33	28
Peruvian royalty	19	18
Taxes other than income and mining	10	39
Deferred income tax	8	8
Derivative instruments (Note 16)		111
Other	56	61
	$ 1,226	$ 770
Other long-term liabilities:		
Income and mining taxes	$ 120	$ 167
Boddington contingent consideration (Note 14)	62	
Derivative instruments (Note 16)		43
Other	54	42
	$ 236	$ 252

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

NOTE 23 RECLAMATION AND REMEDIATION LIABILITIES (ASSET RETIREMENT OBLIGATIONS)

At September 30, 2009 and December 31, 2008, $624 and $594, respectively, were accrued for reclamation obligations relating to mineral properties in accordance with asset retirement obligation accounting guidance. In addition, the Company is involved in several matters concerning environmental obligations associated with former, primarily historic, mining activities. Generally, these matters concern developing and implementing remediation plans at the various sites involved. At September 30, 2009 and December 31, 2008, $153 and $163, respectively, were accrued for such obligations. These amounts are also included in *Reclamation and remediation liabilities*.

The following is a reconciliation of the liability for asset retirement obligations:

	Nine Months Ended September 30,	
	2009	**2008**
Balance at beginning of period	$ 757	$ 672
Additions, changes in estimates and other	21	57
Liabilities settled	(35)	(83)
Accretion expense	34	30
Balance at end of period	$ 777	$ 676

The current portions of *Reclamation and remediation liabilities* of $53 and $58 at September 30, 2009 and December 31, 2008, respectively, are included in *Other current liabilities*.

The Company s reclamation and remediation expenses consisted of:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	**2008**	**2009**	**2008**
Asset retirement cost amortization	$ 7	$ 7	$ 21	$ 18
Accretion operating	8	7	25	23
Accretion non-operating (Note 4)	3	2	9	7
Reclamation estimate revisions non-operating (Note 4)		13		74
	$ 18	$ 29	$ 55	$ 122

NOTE 24 NET CHANGE IN OPERATING ASSETS AND LIABILITIES

Net cash provided from operations attributable to the net change in operating assets and liabilities is composed of the following:

	Nine Months Ended September 30,	
	2009	**2008**
Decrease (increase) in operating assets:		
Trade and accounts receivable	$ 200	$ 25
Inventories, stockpiles and ore on leach pads	(249)	(236)
EGR refinery assets	(179)	(47)
Other assets	4	(112)

Increase (decrease) in operating liabilities:		
Accounts payable and other accrued liabilities	53	(88)
EGR refinery liabilities	179	47
Reclamation liabilities	(35)	(83)
	$ (27)	$ (494)

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

NOTE 25 SEGMENT INFORMATION

The Company s reportable segments are based upon the Company s management organization structure that is focused on the geographic region for the company s operations. Segment results for 2008 have been retrospectively revised to reflect an organizational change, effective in the first quarter of 2009, that (i) moved the results of the La Herradura operation in Mexico to North America from Other and (ii) combined the management of exploration and advanced projects activities under one executive and assigned the legacy exploration segment to the regional reportable segments. As a result of management s decision in the second quarter of 2009 to dispose of the Kori Kollo operation in Bolivia, Kori Kollo has been reclassified to discontinued operations.

Financial information relating to Newmont s segments is as follows:

Three Months Ended September 30, 2009	Sales	Costs Applicable to Sales	Amortization	Advanced Projects and Exploration	Pre-Tax Income
Nevada	$ 481	$ 273	$ 69	$ 13	$ 118
Hope Bay			3	20	(24)
La Herradura	23	8	2	1	12
Other North America					(2)
North America	504	281	74	34	104
Yanacocha	535	163	43	6	299
Other South America				1	(2)
South America	535	163	43	7	297
Boddington				12	(11)
Other Australia/New Zealand	282	152	32	6	77
Australia/New Zealand	282	152	32	18	66
Batu Hijau:					
Gold	201	37	10		
Copper	396	71	18		
Total Batu Hijau	597	108	28		445
Other Asia Pacific			1	4	(17)
Asia Pacific	879	260	61	22	494
Africa	131	61	17	4	44

Corporate and Other			4	15	(35)
Consolidated	$ 2,049	$ 765	$ 199	$ 82	$ 904

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

Three Months Ended September 30, 2008	Sales	Costs Applicable to Sales	Amortization	Advanced Projects and Exploration	Pre-Tax Income
Nevada	$ 471	$ 271	$ 65	$ 13	$ 109
Hope Bay				21	(21)
La Herradura	19	9	2	2	6
Other North America			1	6	(9)
North America	490	280	68	42	85
Yanacocha	378	159	43	7	157
Other South America				8	21
South America	378	159	43	15	178
Boddington				2	(7)
Other Australia/New Zealand	273	178	33	7	66
Australia/New Zealand	273	178	33	9	59
Batu Hijau:					
Gold	23	20	4		
Copper	90	88	16		
Total Batu Hijau	113	108	20	2	(43)
Other Asia Pacific				6	(19)
Asia Pacific	386	286	53	17	(3)
Africa	117	55	16	12	29
Corporate and Other			6	15	(67)
Consolidated	$ 1,371	$ 780	$ 186	$ 101	$ 222

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

Nine Months Ended September 30, 2009	Sales	Costs Applicable to Sales	Amortization	Advanced Projects and Exploration	Pre-Tax Income	Total Asset [1]	Capital Expenditures [2]
Nevada	$ 1,321	$ 764	$ 183	$ 40	$ 309	$ 3,215	$ 154
Hope Bay			9	56	(64)	1,818	4
La Herradura	75	30	7	2	36	116	34
Other North America				1	(6)	55	
North America	1,396	794	199	99	275	5,204	192
Yanacocha	1,451	488	128	16	747	2,182	94
Other South America				15	(13)	28	
South America	1,451	488	128	31	734	2,210	94
Boddington				29	(87)	3,832	961
Other Australia/New Zealand	814	438	94	18	243	843	75
Australia/New Zealand	814	438	94	47	156	4,675	1,036
Batu Hijau:							
Gold	358	88	23				
Copper	786	217	55				
Total Batu Hijau	1,144	305	78		713	3,024	30
Other Asia Pacific			2	9	(32)	215	2
Asia Pacific	1,958	743	174	56	837	7,914	1,068
Africa	382	175	51	16	128	1,163	46
Corporate and Other [1]			14	45	(224)	4,656	12
Consolidated	$ 5,187	$ 2,200	$ 566	$ 247	$ 1,750	$ 21,147	$ 1,412

(1) Corporate and Other includes $31 of Assets held for sale (Note 9).

(2) Accrual basis; includes increase in accrued capital of $98. Consolidated capital expenditures on a cash basis were $1,314.

(2) Accrual basis; includes increase in accrued capital of $98. Consolidated capital expenditures on a cash basis were $1,314.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

Nine Months Ended September 30, 2008	Sales	Costs Applicable to Sales	Amortization	Advanced Projects and Exploration	Pre-Tax Income	Total Assets[1]	Capital Expenditures[2]
Nevada	$ 1,457	$ 724	$ 175	$ 35	$ 495	$ 3,249	$ 227
Hope Bay				43	(43)	1,848	63
La Herradura	64	27	6	4	27	88	17
Other North America			1	21	(27)	196	
North America	1,521	751	182	103	452	5,381	307
Yanacocha	1,265	488	131	20	571	2,047	126
Other South America				25	5	38	
South America	1,265	488	131	45	576	2,085	126
Boddington				7	(8)	1,557	604
Other Australia/New Zealand	815	504	89	19	203	836	97
Australia/New Zealand	815	504	89	26	195	2,393	701
Batu Hijau:							
Gold	171	76	15				
Copper	705	342	67				
Total Batu Hijau	876	418	82	2	315	2,322	65
Other Asia Pacific			2	13	(82)	99	1
Asia Pacific	1,691	922	173	41	428	4,814	767
Africa	321	150	47	33	90	1,188	77
Corporate and Other [1]	1		15	45	(246)	3,115	6
Consolidated	$ 4,799	$ 2,311	$ 548	$ 267	$ 1,300	$ 16,583	$ 1,283

(1) Corporate and Other includes $82 of Assets held for sale.

(2) Accrual basis; includes increase in accrued capital of $67. Consolidated capital expenditures on a cash basis were $1,350.

	At September 30, 2009	At December 31, 2008
Goodwill:		
Other Australia/New Zealand	$ 188	$ 188

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

NOTE 26 CONDENSED CONSOLIDATING FINANCIAL STATEMENTS

Newmont USA, a 100% owned subsidiary of Newmont Mining Corporation, has fully and unconditionally guaranteed the 5 7/8%, 5 1/8% and 6 1/4% publicly traded notes and the 2012, 2014 and 2017 convertible senior notes. The following consolidating financial statements are provided for Newmont USA, as guarantor, and for Newmont Mining Corporation, as issuer, as an alternative to providing separate financial statements for the guarantor. The accounts of Newmont Mining Corporation are presented using the equity method of accounting for investments in subsidiaries.

	Three Months Ended September 30, 2009				
Condensed Consolidating Statement of Income	**Newmont Mining Corporation**	**Newmont USA**	**Other Subsidiaries**	**Eliminations**	**Newmont Mining Corporation Consolidated**
Revenues					
Sales gold, net	$	$ 1,240	$ 413	$	$ 1,653
Sales copper, net		396			396
		1,636	413		2,049
Costs and expenses					
Costs applicable to sales gold[1]		480	219	(5)	694
Costs applicable to sales copper[1]		71			71
Amortization		146	54	(1)	199
Accretion		6	2		8
Exploration		26	29		55
Advanced projects, research and development		11	17	(1)	27
General and administrative		31	1	7	39
Other expense, net		34	33		67
		805	355		1,160
Other income (expense)					
Other income, net	(2)	(1)	28		25
Interest income intercompany	17	1	3	(21)	
Interest expense intercompany	(2)		(19)	21	
Interest expense, net	3	(12)	(1)		(10)
	16	(12)	11		15
Income from continuing operations before income tax and other items	16	819	69		904
Income tax benefit (expense)	11	(250)	(14)		(253)
Equity income (loss) of affiliates	361	(3)	48	(412)	(6)
Income (loss) from continuing operations	388	566	103	(412)	645

Income (loss) from discontinued operations					
Net income (loss)	388	566	103	(412)	645
Net loss (income) attributable to noncontrolling interests		(257)	(16)	16	(257)
Net income (loss) attributable to Newmont stockholders	$ 388	$ 309	$ 87	$ (396)	$ 388

(1) Exclusive of Amortization and Accretion.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

	Three Months Ended September 30, 2008				
Condensed Consolidating Statement of Income	**Newmont Mining Corporation**	**Newmont USA**	**Other Subsidiaries**	**Eliminations**	**Newmont Mining Corporation Consolidated**
Revenues					
Sales gold, net	$	$ 890	$ 391	$	$ 1,281
Sales copper, net		90			90
		980	391		1,371
Costs and expenses					
Costs applicable to sales gold[1]		460	237	(5)	692
Costs applicable to sales copper[1]		88			88
Amortization		135	51		186
Accretion		5	2		7
Exploration		34	23		57
Advanced projects, research and development		14	31	(1)	44
General and administrative		29	2	6	37
Other expense, net	1	52	16		69
	1	817	362		1,180
Other income (expense)					
Other income, net	(24)	39	51		66
Interest income intercompany	77	2		(79)	
Interest expense intercompany	(2)		(77)	79	
Interest expense, net	(16)	(19)			(35)
	35	22	(26)		31
Income from continuing operations before income tax benefit (expense) and other items	34	185	3		222
Income tax benefit (expense)	16	(32)	10		(6)
Equity income (loss) of affiliates	134	3	17	(155)	(1)
Income (loss) from continuing operations	184	156	30	(155)	215
Income (loss) from discontinued operations	7	(9)		9	7
Net income (loss)	191	147	30	(146)	222
Net (income) loss attributable to noncontrolling interests		(33)	(5)	7	(31)

Net income (loss) attributable to Newmont stockholders	$ 191	$ 114	$ 25	$ (139)	$ 191

(1) Exclusive of Amortization and Accretion.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

	Nine Months Ended September 30, 2009				
Condensed Consolidating Statement of Income	**Newmont Mining Corporation**	**Newmont USA**	**Other Subsidiaries**	**Eliminations**	**Newmont Mining Corporation Consolidated**
Revenues					
Sales gold, net	$	$ 3,205	$ 1,196	$	$ 4,401
Sales copper, net		786			786
		3,991	1,196		5,187
Costs and expenses					
Costs applicable to sales gold[1]		1,370	630	(17)	1,983
Costs applicable to sales copper[1]		217			217
Amortization		408	159	(1)	566
Accretion		19	6		25
Exploration		74	73		147
Advanced projects, research and development		46	57	(3)	100
General and administrative		94	3	21	118
Other expense, net	8	122	129		259
	8	2,350	1,057		3,415
Other income (expense)					
Other income, net	(12)	(1)	56		43
Interest income intercompany	77	5	4	(86)	
Interest expense intercompany	(7)		(79)	86	
Interest expense, net	(24)	(37)	(4)		(65)
	34	(33)	(23)		(22)
Income from continuing operations before income tax and other items	26	1,608	116		1,750
Income tax (expense) benefit	(2)	(493)	1		(494)
Equity income (loss) of affiliates	729		102	(845)	(14)
Income (loss) from continuing operations	753	1,115	219	(845)	1,242
(Loss) income from discontinued operations	(14)	(14)		14	(14)
Net income (loss)	739	1,101	219	(831)	1,228
Net loss (income) attributable to noncontrolling interests		(491)	(44)	46	(489)

Net income (loss) attributable to Newmont stockholders	$ 739	$ 610	$ 175	$ (785)	$ 739

(1) Exclusive of Amortization and Accretion.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

	Nine Months Ended September 30, 2008				
Condensed Consolidating Statement of Income	**Newmont Mining Corporation**	**Newmont USA**	**Other Subsidiaries**	**Eliminations**	**Newmont Mining Corporation Consolidated**
Revenues					
Sales gold, net	$	$ 2,957	$ 1,137	$	$ 4,094
Sales copper, net		705			705
		3,662	1,137		4,799
Costs and expenses					
Costs applicable to sales gold[1]		1,317	667	(15)	1,969
Costs applicable to sales copper[1]		342			342
Amortization		409	140	(1)	548
Accretion		17	6		23
Exploration		93	61		154
Advanced projects, research and development		38	76	(1)	113
General and administrative		82	4	17	103
Other expense, net	1	166	82		249
	1	2,464	1,036		3,501
Other income (expense)					
Other income, net	(33)	92	41		100
Interest income intercompany	222	22		(244)	
Interest expense intercompany	(6)		(238)	244	
Interest expense, net	(52)	(41)	(5)		(98)
	131	73	(202)		2
Income (loss) from continuing operations before income tax (expense) benefit and other items	130	1,271	(101)		1,300
Income tax (expense) benefit	(48)	(189)	44		(193)
Equity income (loss) of affiliates	728	4	89	(827)	(6)
Income (loss) from continuing operations	810	1,086	32	(827)	1,101
Income (loss) from discontinued operations	17	(2)	3	(1)	17
Net income (loss)	827	1,084	35	(828)	1,118
Net (income) loss attributable to noncontrolling interests		(304)	3	10	(291)

Net income (loss) attributable to Newmont stockholders	$ 827	$ 780	$ 38	$ (818)	$ 827

(1) Exclusive of Amortization and Accretion.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

	At September 30, 2009				
Condensed Consolidating Balance Sheets	**Newmont Mining Corporation**	**Newmont USA**	**Other Subsidiaries**	**Eliminations**	**Newmont Mining Corporation Consolidated**
Assets					
Cash and cash equivalents	$	$ 2,841	$ 181	$	$ 3,022
Marketable securities and other short-term investments		3	16		19
Trade receivables		266	14		280
Accounts receivable	2,527	346	420	(3,179)	114
Inventories		329	150		479
Stockpiles and ore on leach pads		292	62		354
Deferred income tax assets		155	34		189
Other current assets	8	76	497		581
Current assets	2,535	4,308	1,374	(3,179)	5,038
Property, plant and mine development, net		5,184	6,984	(18)	12,150
Investments		19	1,050		1,069
Investments in subsidiaries	8,979	31	990	(10,000)	
Stockpiles and ore on leach pads		1,262	149		1,411
Deferred income tax assets		816	183		999
Other long-term assets	2,546	291	230	(2,806)	261
Goodwill			188		188
Assets of operations held for sale		31			31
Total assets	$ 14,060	$ 11,942	$ 11,148	$ (16,003)	$ 21,147
Liabilities					
Current portion of long-term debt	$	$ 215	$ 10	$	$ 225
Accounts payable	29	1,438	2,041	(3,170)	338
Employee related benefits		157	44		201
Income and mining taxes		207	4		211
Other current liabilities	26	247	2,924	(1,971)	1,226
Current liabilities	55	2,264	5,023	(5,141)	2,201
Long-term debt	3,913	714	71		4,698
Reclamation and remediation liabilities	1	510	213		724
Deferred income tax liabilities	43	370	816		1,229
Employee-related benefits	4	319	54		377
Other long-term liabilities	314	130	2,616	(2,824)	236
Liabilities of operations held for sale		13			13
Total liabilities	4,330	4,320	8,793	(7,965)	9,478

Equity					
Preferred stock			61	(61)	
Common stock	768				768
Additional paid-in capital	7,867	2,647	3,622	(6,076)	8,060
Accumulated other comprehensive income (loss)	454	(146)	583	(437)	454
Retained earnings (deficit)	641	3,315	(2,208)	(1,107)	641
Newmont stockholders equity	9,730	5,816	2,058	(7,681)	9,923
Noncontrolling interests		1,806	297	(357)	1,746
Total equity	9,730	7,622	2,355	(8,038)	11,669
Total liabilities and equity	$ 14,060	$ 11,942	$ 11,148	$ (16,003)	$ 21,147

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

	At December 31, 2008				
Condensed Consolidating Balance Sheets	**Newmont Mining Corporation**	**Newmont USA**	**Other Subsidiaries**	**Eliminations**	**Newmont Mining Corporation Consolidated**
Assets					
Cash and cash equivalents	$	$ 310	$ 125	$	$ 435
Marketable securities and other short-term investments		1	11		12
Trade receivables		97	7		104
Accounts receivable	1,941	904	370	(3,001)	214
Inventories		395	112		507
Stockpiles and ore on leach pads		242	48		290
Deferred income tax assets		236	48		284
Other current assets	1	220	234		455
Current assets	1,942	2,405	955	(3,001)	2,301
Property, plant and mine development, net		5,325	4,822	(19)	10,128
Investments		11	644		655
Investments in subsidiaries	6,247	25	828	(7,100)	
Stockpiles and ore on leach pads		1,031	105		1,136
Deferred income tax assets	(45)	873	211		1,039
Other long-term assets	1,977	320	153	(2,243)	207
Goodwill			188		188
Assets of operations held for sale		73			73
Total assets	$ 10,121	$ 10,063	$ 7,906	$ (12,363)	$ 15,727
Liabilities					
Current portion of long-term debt	$	$ 156	$ 9	$	$ 165
Accounts payable	524	586	2,292	(2,991)	411
Employee-related benefits		139	31		170
Income and mining taxes	21	39	1		61
Other current liabilities	15	303	461	(9)	770
Current liabilities	560	1,223	2,794	(3,000)	1,577
Long-term debt	2,203	802	67		3,072
Reclamation and remediation liabilities	1	502	196		699
Deferred income tax liabilities		364	687		1,051
Employee-related benefits	3	341	35		379
Other long-term liabilities	283	182	2,049	(2,262)	252
Liabilities of operations held for sale		36			36
Total liabilities	3,050	3,450	5,828	(5,262)	7,066

Equity					
Preferred stock			61	(61)	
Common stock	709				709
Additional paid-in capital	6,611	2,647	4,334	(6,761)	6,831
Accumulated other comprehensive (loss) income	(253)	(173)	(138)	311	(253)
Retained earnings (deficit)	4	2,707	(2,381)	(326)	4
Newmont stockholders equity	7,071	5,181	1,876	(6,837)	7,291
Noncontrolling interests		1,432	202	(264)	1,370
Total equity	7,071	6,613	2,078	(7,101)	8,661
Total liabilities and equity	$ 10,121	$ 10,063	$ 7,906	$ (12,363)	$ 15,727

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

	Nine Months Ended September 30, 2009				
Condensed Consolidating Statement of Cash Flows	**Newmont Mining Corporation**	**Newmont USA**	**Other Subsidiaries**	**Eliminations**	**Newmont Mining Corporation Consolidated**
Operating activities:					
Net income	$ 739	$ 1,101	$ 219	$ (831)	$ 1,228
Adjustments	72	526	(684)	831	745
Net change in operating assets and liabilities	(58)	(11)	42		(27)
Net cash provided from (used in) continuing operations	753	1,616	(423)		1,946
Net cash provided from discontinued operations		3			3
Net cash provided from (used in) operations	753	1,619	(423)		1,949
Investing activities:					
Additions to property, plant and mine development		(334)	(980)		(1,314)
Proceeds from sale of marketable debt and equity securities			10		10
Acquisitions, net	(8)	(11)	(747)		(766)
Other		1	(19)		(18)
Net cash used in investing activities	(8)	(344)	(1,736)		(2,088)
Financing activities:					
Net borrowings (repayments)	1,724	(32)	6		1,698
Net intercompany (repayments) borrowings	(3,565)	1,402	2,163		
Dividends paid to common stockholders	(147)				(147)
Dividends paid to noncontrolling interests in subsidiaries		(112)	(3)		(115)
Proceeds from stock issuance	1,248				1,248
Change in restricted cash and other	(5)		10		5
Net cash provided from financing activities of continuing operations	(745)	1,258	2,176		2,689
Net cash (used in) provided from financing activities of discontinued operations		(2)			(2)
Net cash (used in) provided from financing activities	(745)	1,256	2,176		2,687
Effect of exchange rate changes on cash			39		39
Net change in cash and cash equivalents		2,531	56		2,587
Cash and cash equivalents at beginning of period		310	125		435

Cash and cash equivalents at end of period	$	$ 2,841	$ 181	$	$ 3,022

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

	Nine Months Ended September 30, 2008				
Condensed Consolidating Statement of Cash Flows	**Newmont Mining Corporation**	**Newmont USA**	**Other Subsidiaries**	**Eliminations**	**Newmont Mining Corporation Consolidated**
Operating activities:					
Net income	$ 827	$ 1,084	$ 35	$ (828)	$ 1,118
Adjustments	59	223	(566)	828	544
Net change in operating assets and liabilities	24	(428)	(90)		(494)
Net cash provided from (used in) continuing operations	910	879	(621)		1,168
Net cash (used in) provided from discontinued operations		(125)	20		(105)
Net cash provided from (used in) operations	910	754	(601)		1,063
Investing activities:					
Additions to property, plant and mine development		(480)	(870)		(1,350)
Investments in marketable debt and equity securities			(18)		(18)
Proceeds from sale of marketable debt and equity securities			50		50
Acquisitions, net		(7)	(318)		(325)
Other		26			26
Net cash used in investing activities of continued operations		(461)	(1,156)		(1,617)
Net cash (used in) provided from investing activities of discontinued operations		(15)	4		(11)
Net cash used in investing activities		(476)	(1,152)		(1,628)
Financing activities:					
Net borrowings (repayments)	755	(84)	(119)		552
Net intercompany (repayments) borrowings	(1,566)	(125)	1,691		
Dividends paid to common stockholders	(136)				(136)
Dividends paid to noncontrolling interests in subsidiaries		(244)	(3)		(247)
Proceeds from stock issuance	27				27
Change in restricted cash and other	10	3	6		19
Net cash (used in) provided from financing activities of continuing operations	(910)	(450)	1,575		215
Net cash used in financing activities of discontinued operations		(3)			(3)

Net cash (used in) provided from financing activities	(910)	(453)	1,575		212
Effect of exchange rate changes on cash		(2)	(22)		(24)
Net change in cash and cash equivalents		(177)	(200)		(377)
Cash and cash equivalents at beginning of period		789	441		1,230
Cash and cash equivalents at end of period	$	$ 612	$ 241	$	$ 853

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

NOTE 27 COMMITMENTS AND CONTINGENCIES

General

The Company follows loss contingency accounting guidance in determining its accruals and disclosures with respect to loss contingencies other than tax contingencies provided for in accordance with income tax accounting guidance (see Note 8). Accordingly, estimated losses from loss contingencies are accrued by a charge to income when information available prior to issuance of the financial statements indicates that it is probable (greater than a 75% probability) that a liability could be incurred and the amount of the loss can be reasonably estimated. Legal expenses associated with the contingency are expensed as incurred. If a loss contingency is not probable or reasonably estimable, disclosure of the loss contingency is made in the financial statements when it is at least reasonably possible that a material loss could be incurred.

Operating Segments

The Company s operating segments are identified in Note 25. Except as noted in this paragraph, all of the Company s commitments and contingencies specifically described in this Note 27 relate to the Corporate and Other reportable segment. The Nevada Operations matters under Newmont USA Limited relate to the North America reportable segment. The PT Newmont Minahasa Raya matters relate to the Asia Pacific reportable segment. The Yanacocha matters relate to the South America reportable segment. The Newmont Yandal Operations Pty Limited matter relates to the Asia Pacific reportable segment. The PTNNT matters relate to the Asia Pacific reportable segment.

Environmental Matters

The Company s mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. The Company conducts its operations so as to protect the public health and environment and believes its operations are in compliance with applicable laws and regulations in all material respects. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations, but cannot predict the full amount of such future expenditures.

Estimated future reclamation costs are based principally on legal and regulatory requirements. At September 30, 2008 and December 31, 2008, $624 and $594, respectively, were accrued for reclamation costs relating to mineral properties in accordance with asset retirement obligation accounting guidance. The current portions of $53 and $58 at September 30, 2009 and December 31, 2008, respectively, are included in *Other current liabilities*.

In addition, the Company is involved in several matters concerning environmental obligations associated with former mining activities. Generally, these matters concern developing and implementing remediation plans at the various sites involved. The Company believes that the related environmental obligations associated with these sites are similar in nature with respect to the development of remediation plans, their risk profile and the compliance required to meet general environmental standards. Based upon the Company s best estimate of its liability for these matters, $153 and $163 were accrued for such obligations at September 30, 2009 and December 31, 2008, respectively. These amounts are included in *Other current liabilities* and *Reclamation and remediation liabilities*. Depending upon the ultimate resolution of these matters, the Company believes that it is reasonably possible that the liability for these matters could be as much as 135% greater or 7% lower than the amount accrued at September 30, 2009. The amounts accrued for these matters are reviewed periodically based upon facts and circumstances available at the time. Changes in estimates are recorded in *Other expense, net* in the period estimates are revised.

Details about certain of the more significant matters involved are discussed below.

Dawn Mining Company LLC (Dawn) 51% Newmont Owned

Midnite Mine Site. Dawn previously leased an open pit uranium mine, currently inactive, on the Spokane Indian Reservation in the State of Washington. The mine site is subject to regulation by agencies of the U.S. Department of Interior (the Bureau of Indian Affairs and the Bureau of Land Management), as well as the United States Environmental Protection Agency (EPA).

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

In 1991, Dawn s mining lease at the mine was terminated. As a result, Dawn was required to file a formal mine closure and reclamation plan. The Department of Interior commenced an analysis of Dawn s proposed plan and alternate closure and reclamation plans for the mine. Work on this analysis has been suspended indefinitely. In mid-2000, the mine was included on the National Priorities List under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA). In March 2003, the EPA notified Dawn and Newmont that it had thus far expended $12 on the Remedial Investigation/Feasibility Study (RI/FS) under CERCLA. In October 2005, the EPA issued the RI/FS on this property in which it indicated a preferred remedy that it estimated to cost approximately $150. Newmont and Dawn filed comments on the RI/FS with the EPA in January 2006. On October 3, 2006, the EPA issued a final Record of Decision in which it formally selected the preferred remedy identified in the RI/FS.

On January 28, 2005, the EPA filed a lawsuit against Dawn and Newmont under CERCLA in the U.S. District Court for the Eastern District of Washington. The EPA has asserted that Dawn and Newmont are liable for reclamation or remediation work and costs at the mine. Dawn does not have sufficient funds to pay for the reclamation plan it proposed or for any alternate plan, or for any additional remediation work or costs at the mine.

On July 14, 2008, after a bench trial, the Court held Newmont liable under CERCLA as an operator of the Midnite Mine. The Court previously ruled on summary judgment that both the U.S. Government and Dawn were liable under CERCLA. On October 17, 2008 the Court issued its written decision in the bench trial. The Court found Dawn and Newmont jointly and severally liable under CERCLA for past and future response costs, and ruled that each of Dawn and Newmont are responsible to pay one-third of such costs. The Court also found the U.S. Government liable on Dawn s and Newmont s contribution claim, and ruled that the U.S. Government is responsible to pay one-third of all past and future response costs. In November 2008, all parties appealed the Court s ruling. Also in November 2008, the EPA issued an Administrative Order pursuant to Section 106 of CERCLA ordering Dawn and Newmont to conduct water treatment, testing and other preliminary remedial actions. Newmont has initiated those preliminary remedial actions. However, the issue of whether the EPA s current preferred remedy is consistent with the National Contingency Plan has not yet come before the Court.

Newmont intends to continue to vigorously defend this matter and cannot reasonably predict the outcome of this lawsuit or the likelihood of any other action against Dawn or Newmont arising from this matter.

Dawn Mill Site. Dawn also owns a uranium mill site facility, located on private land near Ford, Washington, which is subject to state and federal regulation. In late 1999, Dawn sought and later received approval from the State of Washington for a revised closure plan that expedites the reclamation process at the site. The currently approved plan for the site is guaranteed by Newmont.

Newmont Canada Limited (Newmont Canada) 100% Newmont Owned

On November 11, 2008, St. Andrew Goldfields Ltd. (St. Andrew) filed an Application in the Superior Court of Justice in Ontario, Canada, seeking a declaration to clarify St. Andrew s royalty obligations regarding certain mineral rights and property formerly owned by Newmont Canada and now owned by St. Andrew.

Newmont Canada purchased the property, called the Holt-McDermott property (Holt Property), from Barrick Gold Corporation (Barrick) in October 2004. At that time, Newmont Canada entered into a royalty agreement with Barrick (the Barrick Royalty), allowing Barrick to retain a royalty on the Holt Property. In August 2006, Newmont Canada sold all of its interests in the Holt Property to Holloway Mining Company (Holloway) in exchange for common stock issued by Holloway. In September 2006, Newmont Canada entered into a purchase and sale agreement with St. Andrew (the 2006 Agreement), under which St. Andrew acquired all the common stock of Holloway. In 2008, Barrick sold its Barrick Royalty to Royal Gold, Inc. (Royal Gold).

In the court proceedings, St. Andrew alleged that in the 2006 Agreement it only agreed to assume royalty obligations equal to 0.013% of net smelter returns from operations on the Holt Property. Such an interpretation of the 2006 Agreement would make Newmont responsible for any royalties exceeding that amount payable to Royal Gold pursuant to the Barrick Royalty. On July 23, 2009, the Court issued a decision finding in favor of St. Andrews interpretation. On August 21, 2009, Newmont Canada appealed the decision. Newmont Canada intends to continue to

vigorously defend this matter but cannot reasonably predict the outcome.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

Newmont Capital Limited (Newmont Capital) 100% Newmont Owned

In February 1999, the EPA placed the Lava Cap mine site in Nevada County, California on the National Priorities List under CERCLA. The EPA then initiated a RI/FS under CERCLA to determine environmental conditions and remediation options at the site.

Newmont Capital, formerly known as Franco-Nevada Mining Corporation, Inc., owned the property for approximately three years from 1984 to 1986 but never mined or conducted exploration at the site. The EPA asserts that Newmont Capital is responsible for clean up costs incurred at the site. Newmont Capital and the EPA entered into a consent decree to settle all aspects of this matter except future potential Natural Resource Damage claims. In February 2009, the U.S. District Court for the Northern District of California approved the consent decree and the settlement was completed.

Newmont USA Limited 100% Newmont Owned

Pinal Creek. Newmont is a defendant in a lawsuit brought on November 5, 1991 in U.S. District Court in Arizona by the Pinal Creek Group, alleging that Newmont and others are responsible for some portion of costs incurred to address groundwater contamination emanating from copper mining operations located in the area of Globe and Miami, Arizona. Two former subsidiaries of Newmont, Pinto Valley Copper Corporation and Magma Copper Company (now known as BHP Copper Inc.) owned some of the mines in the area between 1983 and 1987. The court has dismissed plaintiffs claims seeking to hold Newmont liable for the acts or omissions of its former subsidiaries. Newmont believes it has strong defenses to plaintiffs remaining claims, including, without limitation that Newmont s agents did not participate in any pollution causing activities; that Newmont s liabilities, if any, were contractually transferred to one of the plaintiffs; that portions of plaintiffs claimed damages are not recoverable; and that Newmont s equitable share of liability, if any, would be immaterial. While Newmont has denied liability and is vigorously defending these claims, it cannot reasonably predict the final outcome of this lawsuit.

Grass Valley. On February 3, 2004, the City of Grass Valley, California brought suit against Newmont under CERCLA in the U.S. District Court for the Northern District of California. This matter involves an abandoned mine adit on property previously owned by a predecessor of Newmont and currently owned by the City of Grass Valley. The complaint alleges that the adit is discharging metals-bearing water into a stream on the property, in concentrations in excess of current EPA drinking water standards. On February 4, 2009, this matter was fully resolved by settlement. Pursuant to the settlement, Newmont has agreed to manage the water discharge on an ongoing basis.

Gray Eagle Mine Site. By letter dated September 3, 2002, the EPA notified Newmont that the EPA had expended $3 in response costs to address environmental conditions associated with a historic tailings pile located at the Grey Eagle Mine site near Happy Camp, California, and requested that Newmont pay those costs. The EPA has identified four potentially responsible parties, including Newmont. Newmont does not believe it has any liability for environmental conditions at the Grey Eagle Mine site, and intends to vigorously defend any formal claims by the EPA. Newmont cannot reasonably predict the likelihood or outcome of any future action against it arising from this matter.

Ross-Adams Mine Site. By letter dated June 5, 2007, the U.S. Forest Service notified Newmont that it had expended approximately $0.3 in response costs to address environmental conditions at the Ross-Adams mine in Prince of Wales, Alaska, and requested Newmont USA Limited pay those costs and perform an Engineering Evaluation/Cost Analysis (EE/CA) to assess what future response activities might need to be completed at the site. Newmont does not believe it has any liability for environmental conditions at the site, and intends to vigorously defend any formal claims by the EPA. Newmont has agreed to perform the EE/CA. Newmont cannot reasonably predict the likelihood or outcome of any future action against it arising from this matter.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

PT Newmont Minahasa Raya (PTNMR) 80% Newmont Owned

In July 2004, a criminal complaint was filed against PTNMR, the Newmont subsidiary that operated the Minahasa mine in Indonesia, alleging environmental pollution relating to submarine tailings placement into nearby Buyat Bay. The Indonesian police detained five PTNMR employees during September and October of 2004. The police investigation and the detention of PTNMR s employees was declared illegal by the South Jakarta District Court in December 2004, but in March 2005, the Indonesian Supreme Court upheld the legality of the police investigation, and the police turned their evidence over to the local prosecutor. In July 2005, the prosecutor filed an indictment against PTNMR and its President Director, alleging environmental pollution at Buyat Bay. After the court rejected motions to dismiss the proceeding, the trial proceeded and all evidence, including that of the defense, was presented in court by September 2006. In November 2006 the prosecution filed its charge, seeking a three-year jail sentence for PTNMR s President Director plus a nominal fine. In addition, the prosecution recommended a nominal fine against PTNMR. The defense filed responses in January 2007, and final briefing was completed in March 2007. On April 24, 2007, the court entered its verdict acquitting PTNMR and its President Director of all charges. In May 2007, the prosecution appealed the decision of the court to the Indonesian Supreme Court, despite Indonesian laws that prohibit the appeal of a verdict of acquittal. In October 2008, a panel of Supreme Court justices was assigned to consider the appeal. In April 2009, the Indonesian Supreme Court summarily dismissed the appeal of the prosecutor related to PTNMR and its President Director.

In addition, on March 22, 2007, an Indonesian non-governmental organization named Wahana Lingkungan Hidup Indonesia (WALHI) filed a civil suit against PTNMR and Indonesia s Ministry of Energy and Mineral Resources and Ministry for the Environment, alleging pollution from the disposal of mine tailings into Buyat Bay, and seeking a court order requiring PTNMR to fund a 25-year monitoring program in relation to Buyat Bay. In December 2007, the court ruled in PTNMR s favor and found that WALHI s allegations of pollution in Buyat Bay were without merit. In March 2008, WALHI appealed this decision to the Indonesian Supreme Court.

Independent sampling and testing of Buyat Bay water and fish, as well as area residents, conducted by the World Health Organization and the Australian Commonwealth Scientific and Industrial Research Organization, confirm that PTNMR has not polluted the Buyat Bay environment, and, therefore, has not adversely affected the fish in Buyat Bay or the health of nearby residents. The Company remains steadfast that it has not caused pollution or health problems.

Other Legal Matters

Minera Yanacocha S.R.L. (Yanacocha) 51.35% Newmont Owned

Choropampa. In June 2000, a transport contractor of Yanacocha spilled approximately 151 kilograms of elemental mercury near the town of Choropampa, Peru, which is located 53 miles (85 kilometers) southwest of the Yanacocha mine. Elemental mercury is not used in Yanacocha s operations but is a by-product of gold mining and was sold to a Lima firm for use in medical instruments and industrial applications. A comprehensive health and environmental remediation program was undertaken by Yanacocha in response to the incident. In August 2000, Yanacocha paid under protest a fine of 1,740,000 Peruvian soles (approximately $0.5) to the Peruvian government. Yanacocha has entered into settlement agreements with a number of individuals impacted by the incident. As compensation for the disruption and inconvenience caused by the incident, Yanacocha entered into agreements with and provided a variety of public works in the three communities impacted by this incident. Yanacocha cannot predict the likelihood of additional expenditures related to this matter.

Yanacocha, various wholly-owned subsidiaries of Newmont, and other defendants have been named in lawsuits filed by approximately 1,100 Peruvian citizens in Denver District Court for the State of Colorado. These actions seek compensatory damages based on claims associated with the elemental mercury spill incident. The parties in these cases agreed to submit these matters to binding arbitration. In October 2007, the parties to the arbitration entered a court-approved settlement agreement, resolving most of these cases. In April 2009, all remaining matters were settled.

Additional lawsuits relating to the Choropampa incident were filed against Yanacocha in the local courts of Cajamarca, Peru, in May 2002 by over 900 Peruvian citizens. A significant number of the plaintiffs in these lawsuits

entered into settlement agreements with Yanacocha prior to filing such claims. In April 2008, the Peruvian Supreme Court upheld the validity of these settlement agreements, which should result in the dismissal of all claims brought by previously settled plaintiffs. Yanacocha has also entered into settlement agreements with approximately 350 additional plaintiffs. The claims asserted by approximately 200 plaintiffs remain. Neither Newmont nor Yanacocha can reasonably estimate the ultimate loss relating to such claims.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

Conga. Yanacocha is involved in a dispute with the Provincial Municipality of Celendin regarding the authority of that governmental body to regulate the development of the Conga project. In the fourth quarter of 2004, the Municipality of Celendin enacted an ordinance declaring the area around Conga to be a mining-free reserve and naturally protected area. Yanacocha challenged this ordinance by means of two legal actions, one filed by Yanacocha (as the lease holder of the Conga mining concessions) and one filed by Minera Chaupiloma (as the titleholder of the Conga mining concessions). In August 2007, a Peruvian Court of first instance upheld Chaupiloma s claim, stating that the Municipality of Celendin lacks the authority to create natural protected areas. The Municipality of Celendin has not appealed the ruling. In July 2008, a Peruvian Court of first instance dismissed Yanacocha s claim as groundless. Yanacocha appealed the ruling to the appellate Court in Lima, and in January 2009, the appellate Court in Lima reversed the lower Court ruling and upheld Yanacocha s claim.

Newmont Yandal Operations Pty Ltd (NYOL) 100% Newmont Owned

On September 3, 2003, J. Aron & Co. commenced proceedings in the Supreme Court of New South Wales (Australia) against NYOL, its subsidiaries and the administrator in relation to the completed voluntary administration of the NYOL group. J. Aron & Co., a NYOL creditor, initially sought injunctive relief that was denied by the court on September 8, 2003. On October 30, 2003, J. Aron & Co. filed a statement of claim alleging various deficiencies in the implementation of the voluntary administration process and seeking damages and other relief against NYOL and other parties. Newmont cannot reasonably predict the final outcome of this lawsuit.

PT Newmont Nusa Tenggara (PTNNT) 45% Newmont Owned

Under the Batu Hijau Contract of Work, beginning in 2006 and continuing through 2010, a portion of PTNNT s shares must be offered for sale, first, to the Indonesian government or, second, to Indonesian nationals, equal to the difference between the following percentages and the percentage of shares already owned by the Indonesian government or Indonesian nationals (if such number is positive): 23% by March 31, 2006; 30% by March 31, 2007; 37% by March 31, 2008; 44% by March 31, 2009; and 51% by March 31, 2010. As PT Pukuafu Indah (PTPI), an Indonesian national, has owned and continues to own a 20% interest in PTNNT, in 2006 a 3% interest was required to be offered for sale and in each of 2007 through 2010 an additional 7% interest must be offered (for an aggregate 31% interest). The price at which such interest must be offered for sale to the Indonesian parties is the highest of the then-current replacement cost, the price at which shares would be accepted for listing on the Indonesian Stock Exchange, or the fair market value of such interest as a going concern, as agreed with the Indonesian government. Pursuant to this provision, it is possible that the ownership interest of NTP in PTNNT could be reduced to 49% or that subsequent disputes could arise concerning the divestiture of the ownership interest of NTP in PTNNT.

Initial arbitration matter

PTPI has owned and continues to own a 20% interest in PTNNT, and therefore the Newmont-Sumitomo partnership was required to offer a 3% interest in PTNNT for sale in 2006 and an additional 7% interest in each of 2007 through 2010. In accordance with the Contract of Work, an offer to sell a 3% interest was made to the Indonesian government in 2006 and an offer for an additional 7% interest was made in each of 2007 and 2008. A further 7% interest in the shares of PTNNT was offered for sale in March 2009. While the central government declined to participate in the 2006 and 2007 offers, local governments in the area in which the Batu Hijau mine is located expressed interest in acquiring shares, as did various Indonesian nationals. In January 2008, the Newmont-Sumitomo partnership agreed to sell, under a carried interest arrangement, 2% of PTNNT s shares to Kabupaten Sumbawa, one of the local governments, subject to satisfaction of closing conditions. The Indonesian government subsequently stated that it would not approve the transfer of shares under this agreement. On February 11, 2008, PTNNT received notification from the Department of Energy and Mineral Resources (DEMR) alleging that PTNNT is in breach of its divestiture requirements under the Contract of Work, and threatening to issue a notice to terminate the Contract of Work if PTNNT did not agree to divest the 2006 and 2007 shares, in accordance with the direction of the DEMR, by February 22, 2008, which date was extended to March 3, 2008. A second Notice of Default was received relating to the alleged failure to divest the 2008 shares as well. On March 3, 2008, the Indonesian government filed for

international arbitration as provided under the Contract of Work, as did PTNNT. In the arbitration proceeding, PTNNT sought a declaration that the Indonesian government is not entitled to terminate the Contract of Work and additional declarations pertaining to the procedures for divesting the shares. For its part, the Indonesian government sought declarations that PTNNT is in default of its divestiture obligations, that the government may terminate the Contract of Work and recover damages for breach of the Contract of Work, and that PTNNT must cause shares subject to divestiture to be sold to certain local governments.

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

Second arbitration matter

In 1997, to enable development of the Batu Hijau mine, PTNNT secured an aggregate $1,000 in financing from the United States Export-Import Bank, the Japan Bank for International Cooperation (formerly the Japan Export-Import Bank), and Kreditanstalt fur Wiederaufbau (the German Export-Import Bank) (collectively, the Senior Lenders). The Senior Lenders required the shareholders of PTNNT to pledge 100% of the shares of PTNNT as security for repayment of the loans. As part of that process, on October 30, 1997, the Minister of Energy and Mineral Resources approved the share pledge arrangements.

Subsequent to an additional 7% interest in PTNNT being offered by NTP for sale on March 28, 2008 (as required under the Contract of Work), the Director General of Mineral, Coal and Geothermal Resources at DEMR claimed that PTNNT breached its obligations under the Contract of Work by allowing shares to be offered for sale that are pledged to the Senior Lenders as security for the repayment of the senior debt. In the letter, the Director General claimed that NTP would be in default under the Contract of Work if the shares of PTNNT offered for sale in March 2008, together with the shares offered in 2006 and 2007, were not in the possession of Indonesian government and/or government owned entities, free of any such senior pledge, by July 13, 2008. Consequently, on July 10, 2008, PTNNT filed a notice to commence an additional international arbitration proceeding, as provided for under the Contract of Work, to resolve the claim that PTNNT breached its obligations under the Contract of Work by allowing shares to be offered that are subject to pledge obligations to the Senior Lenders. This issue was incorporated into and resolved as part of the initial arbitration proceeding.

An international arbitration panel was appointed to resolve these claims and a hearing was held in Jakarta in December 2008. On March 31, 2009, the arbitration panel issued its Final Award and decision on the matter. In its decision, the arbitration panel determined that PTNNT s foreign shareholders had not complied with the divestiture procedure required by the Contract of Work in 2006 and 2007, but the panel ruled that the Indonesian government is not entitled to immediately terminate the Contract of Work and the panel rejected the Indonesian government s claim for damages. The Arbitration Panel granted PTNNT 180 days from the date of notification of the Final Award to transfer the 2006 3% interest and the 2007 7% interest in PTNNT to the local governments or their respective nominees. The Arbitration Panel also applied a 180-day cure period to the 2008 7% interest, ruling that PTNNT must (within such 180-day period) offer the 2008 7% interest to the Indonesian government or its nominee, and transfer such shares if, after agreement on the transfer price, the Indonesian government invokes its right of first refusal under the Contract of Work. The panel ruled that shares offered to the Indonesian government pursuant to the Contract of Work must be offered free of any pledge or obligation to re-pledge the shares to the Senior Lenders. Finally, the Panel directed PTNNT to pay to the Indonesian government an allocated portion of certain legal fees and costs of the arbitration. PTNNT submitted payment of $2 for legal fees and costs. The Company also entered a formal agreement with the Senior Lenders under which the Senior Lenders released the pledge on the aggregated 31% of shares in PTNNT that are subject to divestiture requirements in exchange for the Company and Sumitomo agreeing to provide joint and several guarantees, thus allowing the Company to transfer these shares free of any pledge or obligation to re-pledge the shares to the lenders. As discussed in Note 22, the Company subsequently replaced this joint and several guarantee in October with letters of credit supporting 56.25% of the obligations under the PTNNT project financing facility. On July 14, 2009, the Company reached agreement with the Indonesian government on the price of the 2008 7% interest and the 2009 7% interest. PTNNT has reoffered the 2008 7% interest and the 2009 7% interest to the Indonesian government at this newly agreed price. In September 2009, the deadline for completion of transfer of the 2006 3% interest, the 2007 7% interest and the 2008 7% interest was extended to November 12, 2009 by agreement between PTNNT and the Indonesian Government. This date coincides with the deadline for the sale and transfer of the 2009 7% interest. The Company cannot predict the outcome of these discussions. Subsequent disputes may arise concerning the divestiture of the shares including if the transfer is not completed to the satisfaction of the parties within the period described above.

45

Table of Contents

NEWMONT MINING CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)
(dollars in millions, except per share, per ounce and per pound amounts)

Other Commitments and Contingencies

Tax contingencies are provided for under income tax accounting guidance (see Note 8).

In a 1993 asset exchange, a wholly-owned subsidiary transferred a coal lease under which the subsidiary had collected advance royalty payments totaling $484. From 1994 to 2018, remaining advance payments under the lease to the transferee total $390. In the event of title failure as stated in the lease, this subsidiary has a primary obligation to refund previously collected payments and has a secondary obligation to refund any of the $390 collected by the transferee, if the transferee fails to meet its refund obligation. The subsidiary has title insurance on the leased coal deposits of $240 covering the secondary obligation. The Company and the subsidiary regard the circumstances entitling the lessee to a refund as remote.

The Company has minimum royalty obligations on one of its producing mines in Nevada for the life of the mine. Amounts paid as a minimum royalty (where production royalties are less than the minimum obligation) in any year are recoverable in future years when the minimum royalty obligation is exceeded. Although the minimum royalty requirement may not be met in a particular year, the Company expects that over the mine life, gold production will be sufficient to meet the minimum royalty requirements. Minimum royalty payments payable are $29 in 2009, $23 in 2010 through 2013 and $140 thereafter.

As part of its ongoing business and operations, the Company and its affiliates are required to provide surety bonds, bank letters of credit and bank guarantees as financial support for various purposes, including environmental reclamation, exploration permitting, workers compensation programs and other general corporate purposes. At September 30, 2009 and December 31, 2008, there were $872 and $778, respectively, of outstanding letters of credit, surety bonds and bank guarantees. The surety bonds, letters of credit and bank guarantees reflect fair value as a condition of their underlying purpose and are subject to fees competitively determined in the market place. The obligations associated with these instruments are generally related to performance requirements that the Company addresses through its ongoing operations. As the specific requirements are met, the beneficiary of the associated instrument cancels and/or returns the instrument to the issuing entity. Certain of these instruments are associated with operating sites with long-lived assets and will remain outstanding until closure. Generally, bonding requirements associated with environmental regulation are becoming more restrictive. In addition, the surety markets for certain types of environmental bonding used by the Company have become increasingly constrained. The Company, however, believes it is in compliance with all applicable bonding obligations and will be able to satisfy future bonding requirements, through existing or alternative means, as they arise.

Newmont is from time to time involved in various legal proceedings related to its business. Except in the above-described proceedings, management does not believe that adverse decisions in any pending or threatened proceeding or that amounts that may be required to be paid by reason thereof will have a material adverse effect on the Company s financial condition or results of operations.

NOTE 28 SUPPLEMENTARY DATA

Ratio of Earnings to Fixed Charges

The ratio of earnings to fixed charges for the nine months ended September 30, 2009 was 11.5. The ratio of earnings to fixed charges represents income from continuing operations before income tax expense, equity loss of affiliates and noncontrolling interests in subsidiaries, divided by interest expense. Interest expense includes amortization of capitalized interest and the portion of rent expense representative of interest. Interest expense does not include interest on income tax liabilities. The computation of the ratio of earnings to fixed charges can be found in Exhibit 12.1.

Table of Contents

ITEM 2. MANAGEMENT S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION (dollars in millions, except per share, per ounce and per pound amounts).

The following discussion provides information that management believes is relevant to an assessment and understanding of the consolidated financial condition and results of operations of Newmont Mining Corporation and its subsidiaries (collectively, Newmont, the Company, our and we). References to A$ refer to Australian currenc to Canadian currency, IDR to Indonesian currency, NZ$ to New Zealand currency and $ to United States currency. This item should be read in conjunction with our interim unaudited Condensed Consolidated Financial Statements and the notes thereto included in this quarterly report. Additionally, the following discussion and analysis should be read in conjunction with *Management s Discussion and Analysis of Consolidated Financial Condition and Results of Operations* and the consolidated financial statements included in Item 8 of our Form 8-K for the year ended December 31, 2008 filed on September 15, 2009.

Selected Financial and Operating Results

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	**2008**	**2009**	**2008**
Revenues	$ 2,049	$ 1,371	$ 5,187	$ 4,799
Income from continuing operations	$ 645	$ 215	$ 1,242	$ 1,101
Net income	$ 645	$ 222	$ 1,228	$ 1,118
Net income attributable to Newmont stockholders	$ 388	$ 191	$ 739	$ 827
Per common share, basic				
Income from continuing operations attributable to Newmont stockholders	$ 0.79	$ 0.40	$ 1.54	$ 1.78
Net income attributable to Newmont stockholders	$ 0.79	$ 0.42	$ 1.52	$ 1.82
Consolidated gold ounces sold (thousands) [1]	1,715	1,485	4,734	4,569
Consolidated copper pounds sold (millions)	141	44	342	201
Average price received, net [2]				
Gold (per ounce)	$ 964	$ 865	$ 930	$ 900
Copper (per pound)	$ 2.80	$ 2.01	$ 2.30	$ 3.50
Costs applicable to sales [3]				
Gold (per ounce)	$ 404	$ 467	$ 419	$ 433
Copper (per pound)	$ 0.50	$ 1.98	$ 0.63	$ 1.70

(1) Includes incremental start-up ounces of nil and 1 in the three and nine months ended September 30,

2009 and 3 and 20 in the three and nine months ended September 30, 2008, respectively.

(2) After treatment and refining charges.

(3) Excludes *Amortization* and *Accretion.*

Consolidated Financial Results

Net income attributable to Newmont stockholders for the third quarter of 2009 was $388, or $0.79 per share, compared to $191, or $0.42 per share in 2008. Results for the third quarter of 2009 compared to 2008 were impacted by increased gold and copper sales volumes, higher realized gold and copper prices and lower costs. *Net income attributable to Newmont stockholders* for the first nine months of 2009 was $739, or $1.52 per share, compared to $827, or $1.82 per share in 2008. Results for the first nine months of 2009 compared to 2008 were impacted by higher gold and copper sales volumes, higher realized gold prices and lower costs, partially offset by lower realized copper prices. The *Net income attributable to Newmont stockholders* per share for the three and nine months ended September 30, 2009, compared to the same periods for 2008, reflect higher average shares outstanding due to the issuance of 34,500,000 shares in February 2009.

Table of Contents

Sales gold, net for the third quarter of 2009 increased $372 compared to the third quarter of 2008 as a result of a 233,000 increase in consolidated gold ounces sold and a $99 per ounce increase in the average realized price after treatment and refining charges. *Sales gold, net* for the first nine months of 2009 increased $307 compared to the first nine months of 2008 as a result of a 184,000 increase in consolidated gold ounces sold and a $30 per ounce increase in the average price realized after treatment and refining charges. The following analysis summarizes the change in consolidated gold sales revenue:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Consolidated gold sales:				
Gross	$ 1,660	$ 1,282	$ 4,421	$ 4,106
Less: Treatment and refining charges	(7)	(1)	(20)	(12)
Net	$ 1,653	$ 1,281	$ 4,401	$ 4,094
Consolidated gold ounces sold (thousands):				
Gross	1,715	1,485	4,734	4,569
Less: Incremental start-up sales		(3)	(1)	(20)
Net	1,715	1,482	4,733	4,549
Average realized price (per ounce):				
Before treatment and refining charges	$ 968	$ 866	$ 934	$ 903
After treatment and refining charges	$ 964	$ 865	$ 930	$ 900

The change in consolidated gold sales is due to:

	Three Months Ended September 30, 2009 vs. 2008	Nine Months Ended September 30, 2009 vs. 2008
Increase in consolidated ounces sold	$ 203	$ 166
Increase in average realized gold price	175	149
Increase in treatment and refining charges	(6)	(8)
	$ 372	$ 307

Sales copper, net for the third quarter of 2009 increased $306 compared to the third quarter of 2008 due to higher sales volume and higher realized prices. *Sales copper, net* for the first nine months of 2009 increased $81 compared to the first nine months of 2008 due to higher sales volume, partially offset by lower realized prices. The following analysis summarizes the change in consolidated copper sales revenue:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Consolidated copper sales:				
Gross before provisional pricing	$ 386	$ 151	$ 763	$ 726

Provisional pricing mark-to-market gain (loss)	48	(52)	112	38
Gross after provisional pricing	434	99	875	764
Less: Treatment and refining charges	(38)	(9)	(89)	(59)
Net	$ 396	$ 90	$ 786	$ 705
Consolidated copper pounds sold (millions)	141	44	342	201
Average price realized (per pound):				
Gross before provisional pricing	$ 2.73	$ 3.39	$ 2.23	$ 3.61
Provisional pricing mark-to-market gain (loss)	0.34	(1.18)	0.33	0.19
Gross after provisional pricing	3.07	2.21	2.56	3.80
Less: Treatment and refining charges	(0.27)	(0.20)	(0.26)	(0.30)
Net	$ 2.80	$ 2.01	$ 2.30	$ 3.50

Table of Contents

The change in consolidated copper sales is due to:

	Three Months Ended September 30, 2009 vs. 2008	Nine Months Ended September 30, 2009 vs. 2008
Increase in consolidated pounds sold	$ 214	$ 537
Increase (decrease) in average realized copper price	121	(426)
Increase in treatment and refining charges	(29)	(30)
	$ 306	$ 81

The following is a summary of net gold and copper sales:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Gold				
North America:				
Nevada	$ 481	$ 471	$ 1,321	$ 1,457
La Herradura	23	19	75	64
	504	490	1,396	1,521
South America:				
Yanacocha	535	378	1,451	1,265
Asia Pacific:				
Jundee	103	94	293	282
Tanami	61	75	220	249
Kalgoorlie	91	69	223	189
Waihi	27	35	78	95
Batu Hijau	201	23	358	171
	483	296	1,172	986
Africa:				
Ahafo	131	117	382	321
Corporate and other				1
	$ 1,653	$ 1,281	$ 4,401	$ 4,094
Copper				
Asia Pacific:				
Batu Hijau	$ 396	$ 90	$ 786	$ 705

Costs applicable to sales decreased in the third quarter and first nine months of 2009 from 2008 as detailed in the table below. The decrease in the third quarter and first nine months of 2009 is due to lower waste tons mined and

lower diesel prices, partially offset by increased gold and copper sales volumes.

Amortization increased in the third quarter and first nine months of 2009 compared to 2008, due to increased gold and copper sales volumes as detailed in the table below. We expect *Amortization* expense in 2009 to be approximately $740 to $760.

Table of Contents

The following is a summary of *Costs applicable to sales* and *Amortization*:

	Costs Applicable to Sales				Amortization			
	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008	2009	2008	2009	2008
Gold								
North America:								
Nevada	$ 273	$ 271	$ 764	$ 724	$ 69	$ 65	$ 183	$ 175
Hope Bay					3		9	
La Herradura	8	9	30	27	2	2	7	6
	281	280	794	751	74	67	199	181
South America:								
Yanacocha	163	159	488	488	43	43	128	131
Asia Pacific:								
Jundee	33	44	103	126	12	9	33	26
Tanami	45	55	146	162	10	10	32	27
Kalgoorlie	60	63	151	171	5	4	11	12
Waihi	14	16	38	45	5	10	18	24
Batu Hijau	37	20	88	76	10	4	23	15
	189	198	526	580	42	37	117	104
Africa:								
Ahafo	61	55	175	150	17	16	51	47
	694	692	1,983	1,969	176	163	495	463
Copper								
Asia Pacific:								
Batu Hijau	71	88	217	342	18	16	55	67
Other								
Other North America						1		1
Other Asia Pacific					1		2	2
Corporate and Other					4	6	14	15
					5	7	16	18
	$ 765	$ 780	$ 2,200	$ 2,311	$ 199	$ 186	$ 566	$ 548

Exploration expense decreased $2 and $7 for the third quarter and first nine months of 2009 compared to 2008, respectively. We expect 2009 *Exploration* expense to be approximately $165 to $175.

Advanced projects, research and development expense for the third quarter and first nine months of 2009 and 2008 is summarized as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Boddington	$ 11	$ 1	$ 24	$ 3
Hope Bay	2	16	18	29
Technical and project services	6	5	18	15
Corporate	3	3	10	10
Nevada underground	1	1	9	1
Akyem	2	2	5	5
Fort a la Corne JV		6	1	19
Other	2	10	15	31
	$ 27	$ 44	$ 100	$ 113

We expect 2009 *Advanced projects, research and development* expenses to be approximately $155 to $165. *General and administrative* expenses increased $2 and $15 for the third quarter and first nine months of 2009 compared to 2008, respectively, due to higher benefits, mainly pension and other post retirement costs. We expect 2009 *General and administrative* expenses to be approximately $150 to $160.

Table of Contents

Other expense, net for the third quarter and first nine months of 2009 and 2008 is summarized as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Boddington acquisition costs	$	$	$ 67	$
Regional administration	14	10	40	31
Community development	12	15	33	47
Western Australia power plant	18	2	27	15
Peruvian royalty	8	4	19	15
Workforce reduction			15	
Batu Hijau divestiture	3	2	9	7
Accretion, non-operating	3	2	9	7
World Gold Council dues	2	3	8	8
Reclamation estimate revisions		13		74
Pension settlement loss		1		12
Provision for bad debts		11		11
Other	7	6	32	22
	$ 67	$ 69	$ 259	$ 249

In connection with the acquisition of the remaining interest in Boddington, we incurred costs of $67, including Australian stamp duties, for the nine months ended September 30, 2009. Community development and regional administration expenses relate to our social responsibility, external and government relations, and regional office costs which are not a direct cost of mine production. Workforce reduction expense includes costs related to global workforce reduction that impacted approximately 3% of our world wide workforce.

Other income, net for the third quarter and first nine months of 2009 and 2008 is summarized as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Canadian Oil Sands Trust income	$ 7	$ 36	$ 16	$ 91
Refinery income	9	2	13	2
Interest income	2	7	11	24
Gain on sale of investments, net	2	19	2	29
Foreign currency exchange gains (losses), net	2	(7)		(20)
Gain on sale of exploration property		32		32
Income from development projects, net		3		12
(Loss) gain on ineffective portion of derivative instruments, net	(1)	3	(5)	5
Impairment of marketable securities		(34)	(6)	(90)
Other	4	5	12	15
	$ 25	$ 66	$ 43	$ 100

Canadian Oil Sands Trust income decreased $29 and $75 in the third quarter and first nine months of 2009, respectively, compared to the same periods of 2008 due to reduced distributions related to a significant decrease in oil prices. The decrease in interest income is a result of a lower global interest rate environment. Gain on sale of investments, net in 2008 was attributable to the sale of marketable equity securities. During the first nine months of

2009, we recognized impairments of marketable securities of $2 for Shore Gold, Inc. and $4 for other marketable securities. During the third quarter of 2008, we recognized impairments of marketable securities of $26 for Shore Gold Inc. and $8 for other marketable securities, resulting in total impairments for the first nine months of 2008 of $58 for Shore Gold Inc., $13 for Gabriel Resources Ltd. and $19 for other marketable securities.

Interest expense, net decreased by $25 and $33 for the third quarter and first nine months of 2009, respectively, compared to the same periods in 2008 mainly due to higher capitalized interest, partially offset by additional interest on the convertible senior notes. Capitalized interest increased $35 and $50 for the third quarter and first nine months of 2009, respectively, compared to the same periods in 2008 primarily due to construction of the Boddington project. We expect 2009 *Interest expense, net* to be approximately $100 to $110.

Table of Contents

Income tax expense during the third quarter of 2009 was $253 compared to $6 during the third quarter of 2008. The increase primarily relates to (i) the increase in pre-tax income, and (ii) the reduction in income taxes in 2008 resulting from revised estimates of reserves for uncertain income tax positions. *Income tax expense* during the first nine months of 2009 was $494 compared to $193 during the first nine months of 2008. The increase primarily relates to (i) the increase in pre-tax income, (ii) the reduction in income taxes in 2008 resulting from revised estimates of uncertain income tax positions, and (iii) the reduction in income taxes in 2008 realized from the conversion of one of the Company s non-US subsidiaries to a partnership for U.S. income tax purposes which gave rise to a significant capital loss allowing the Company to recover income taxes paid on prior years capital gains.

In addition to the non-recurring items discussed above, the effective tax rates in the third quarter and for the first nine months of 2009 and 2008 are different from the United States statutory rate of 35%, primarily due to (i) U.S. percentage depletion, and (ii) the effect of different income tax rates in countries where earnings are indefinitely reinvested. For a complete discussion of the factors that influence our effective tax rate, see *Management s Discussion and Analysis of Consolidated Financial Condition and Results of Operations* in Newmont s Form 8-K for the year ended December 31, 2008, filed September 15, 2009. We expect the 2009 income tax rate to be approximately 28% to 30%, assuming an average gold price of $900 per ounce.

Net income attributable to noncontrolling interests increased $226 and $198 in the third quarter and the first nine months of 2009, respectively, as a result of increased earnings at Yanacocha and Batu Hijau.

Income (loss) from discontinued operations was a follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Sales gold, net	$	$ 21	$ 32	$ 58
Income (loss) from operations	$	$ (19)	$ 1	$ (7)
Loss on impairment			(44)	
Gain on sale of royalty portfolio				5
Gain on sale of Pajingo assets				1
Pre-tax loss		(19)	(43)	(1)
Income tax benefit		26	29	18
Income (loss) from discontinued operations	$	$ 7	$ (14)	$ 17

Discontinued operations include the Kori Kollo operation sold in July 2009 and the royalty portfolio and Pajingo operations, both sold in December 2007.

Table of Contents

Results of Consolidated Operations

	Gold Ounces or Copper Pounds Sold[1]		Costs Applicable to Sales[2]		Amortization	
	2009	2008	2009	2008	2009	2008
	(ounces in thousands)		($ per ounce)		($ per ounce)	
Three Months Ended September 30,						
Gold						
North America	528	566	$ 532	$ 496	$ 136	$ 119
South America [3]	554	438	294	362	78	98
Asia Pacific [3]	497	340	380	582	82	109
Africa	136	141	446	402	130	116
Total/Weighted-Average	1,715	1,485	$ 404	$ 467	$ 101	$ 110
Copper	(pounds in millions)		($ per pound)		($ per pound)	
Asia Pacific [3]	141	44	$ 0.50	$ 1.98	$ 0.12	$ 0.37

	Gold Ounces or Copper Pounds Sold[1]		Costs Applicable to Sales[2]		Amortization	
	2009	2008	2009	2008	2009	2008
	(ounces in thousands)		($ per ounce)		($ per ounce)	
Nine Months Ended September 30,						
Gold						
North America	1,517	1,695	$ 524	$ 443	$ 126	$ 107
South America [3]	1,558	1,410	313	346	82	93
Asia Pacific [3]	1,247	1,084	422	535	93	97
Africa	412	380	424	416	125	129
Total/Weighted-Average	4,734	4,569	$ 419	$ 433	$ 103	$ 102
Copper	(pounds in millions)		($ per pound)		($ per pound)	
Asia Pacific [3]	342	201	$ 0.63	$ 1.70	$ 0.16	$ 0.34

(1) Consolidated gold ounces sold includes incremental start-up ounces of nil and 1, in North America, for the three and nine months ended

September 30, 2009 and 3 and 20, primarily in Africa, for the three and nine months ended September 30, 2008, respectively. Incremental start-up sales includes the removal and production of de minimis saleable materials during development and is recorded as *Other income*, net of incremental mining and processing costs.

(2) Excludes *Amortization* and *Accretion*.

(3) Consolidated gold ounces and copper pounds sold includes noncontrolling interests share for Yanacocha and Batu Hijau.

Consolidated gold ounces sold increased 15% in the third quarter of 2009 from 2008, primarily due to higher production from South America and Asia Pacific, partially offset by lower production from North America. Consolidated copper pounds sold more than tripled in the third quarter of 2009 from 2008 due to higher production at Batu Hijau.

Costs applicable to sales per consolidated gold ounce sold decreased 13% in the third quarter of 2009 from 2008, due to lower waste mining, higher production, lower diesel prices, higher by-product credits and lower royalty costs. *Costs applicable to sales* per consolidated copper pound decreased 75% in the third quarter of 2009 from 2008, primarily due to lower waste mining, higher production and lower diesel prices.

Consolidated gold ounces sold increased 4% in the first nine months of 2009 from 2008, primarily due to higher production from South America, Asia Pacific and Africa, partially offset by lower production from North America. Consolidated copper pounds sold increased 70% in the first nine months of 2009 from 2008 due to higher production at Batu Hijau.

Costs applicable to sales per consolidated gold ounce sold decreased 3% in the first nine months of 2009 from 2008, due to lower waste mining, higher production and lower diesel prices, partially offset by lower by-product credits. *Costs applicable to sales* per consolidated copper pound decreased 63% in the first nine months of 2009 from 2008, primarily due to lower waste mining, higher production, lower diesel prices and an increase in ore stockpile inventory. We expect consolidated gold sales of between 6.4 and 6.5 million ounces at *Costs applicable to sales* of between $400 and $425 per ounce. Our *Costs applicable to sales* forecast for 2009 now assumes an oil price of $80 per barrel and an Australian dollar exchange rate of 0.80 for the remainder of the year. Our *Costs applicable to sales* for the year are expected to change by approximately $1 per ounce for every $10 change in the oil price. We continue to hedge a portion of our North America diesel and Australian dollar cost exposure.

Table of Contents

We continue to expect consolidated copper sales of approximately 460 to 510 million pounds in 2009 at *Costs applicable to sales* of approximately $0.50 to $0.65 per pound.

North America Operations

	Gold Ounces Sold		Costs Applicable to Sales[2]		Amortization	
	2009	2008	2009	2008	2009	2008
	(in thousands)		($ per ounce)		($ per ounce)	
Three Months Ended September 30,						
Nevada	505	544	$ 541	$ 497	$ 137	$ 120
La Herradura (44% owned)	23	22	352	468	98	88
	528	566	$ 532	$ 496	$ 136	$ 119

	Gold Ounces Sold[1]		Costs Applicable to Sales[2]		Amortization	
	2009	2008	2009	2008	2009	2008
	(in thousands)		($ per ounce)		($ per ounce)	
Nine Months Ended September 30,						
Nevada	1,438	1,624	$ 532	$ 446	$ 127	$ 108
La Herradura (44% owned)	79	71	381	391	93	85
	1,517	1,695	$ 524	$ 443	$ 126	$ 107

(1) Includes incremental start-up ounces of 1, in Nevada, for both the nine months ended September 30, 2009 and September 30, 2008.

(2) Excludes *Amortization* and *Accretion*.

Third quarter 2009 compared to 2008

Nevada, USA. Gold ounces sold decreased 7% due to lower leach tons placed and lower mill ore grade. Surface ore mined decreased 21% to 8.5 million tons, including a 40% decrease in leach ore placed to 3.4 million tons, and waste mining increased 23% to 4.6 million tons, primarily due to mine sequencing at Gold Quarry. Underground ore mined increased to 720,000 tons from 637,000 tons due to higher mining rates at Leeville and remnant mining at Carlin East. Underground ore grade decreased 7% due to lower grade at Leeville and Turquoise Ridge. Ore milled was 6.5 million

tons up from 6.1 million tons. *Costs applicable to sales* per ounce increased to $541 from $497 per ounce due to lower production, partially offset by higher by-product credits.

La Herradura, Mexico. Gold ounces sold increased 5% due to higher leach tons placed. *Costs applicable to sales per ounce* decreased to $352 from $468 per ounce due to higher production and lower mining costs, partially offset by lower by-product credits.

First nine months 2009 compared to 2008

Nevada, USA. Gold ounces sold decreased 11% due to lower leach tons placed and lower mill ore grade. Surface ore mined decreased 25% to 21.1 million tons, including a 51% decrease in leach ore placed to 7.7 million tons, and waste mining increased 5% to 128.4 million tons, primarily due to mine sequencing at Gold Quarry. Underground ore mined increased to 1.9 million tons from 1.7 million tons due to higher mining rates at Leeville and Chukar. Underground ore grade decreased 9% due to lower grade from Leeville and Turquoise Ridge. Ore milled was 18.5 million tons compared to 18.4 million tons. Ore placed on leach pads decreased 51% to 7.7 million tons due to mine sequencing at Gold Quarry. *Costs applicable to sales* increased to $532 from $446 per ounce due to lower production and mining more waste material, partially offset by lower production taxes and lower diesel prices.

La Herradura, Mexico. Gold ounces sold increased 11% due to higher leach tons placed. *Costs applicable to sales* decreased to $381 from $391 per ounce mainly due to higher production and lower diesel costs, partially offset by lower by-product credits.

We expect gold sales in North America of approximately 2.0 to 2.1 million ounces at *Costs applicable to sales* of approximately $525 to $565 per ounce in 2009.

Table of Contents

South America Operations

	Gold Ounces Sold[1]		Costs Applicable to Sales[2]		Amortization	
	2009	2008	2009	2008	2009	2008
	(in thousands)		($ per ounce)		($ per ounce)	
Three Months Ended September 30,						
Yanacocha (51.35% owned)	554	438	$ 294	$ 362	$ 78	$ 98

	Gold Ounces Sold[1]		Costs Applicable to Sales[2]		Amortization	
	2009	2008	2009	2008	2009	2008
	(in thousands)		($ per ounce)		($ per ounce)	
Nine Months Ended September 30,						
Yanacocha (51.35% owned)	1,558	1,410	$ 313	$ 346	$ 82	$ 93

(1) Consolidated gold ounces sold includes noncontrolling interests share.

(2) Excludes *Amortization* and *Accretion*.

Third quarter 2009 compared to 2008

Yanacocha, Peru. Gold ounces sold increased 26% due to higher leach tons placed and higher mill production. Ore tons mined increased 78% to 41.4 million tons as waste material mined decreased to 11.2 million tons from 33.7 million tons. Ore placed on the leach pads increased to 39.1 million tons from 21.7 million tons resulting in higher leach production of 360,900 ounces compared to 323,600 ounces. Mill production was 183,000 ounces compared to 125,100 ounces due to higher grade and throughput, partially offset by lower recovery. *Costs applicable to sales* decreased to $294 per ounce from $362 per ounce due to higher production, mining less waste material and lower diesel prices, partially offset by higher workers participation costs and lower by-product credits.

First nine months 2009 compared to 2008

Yanacocha, Peru. Gold ounces sold increased 10% due to higher leach tons placed and higher mill production, partially offset by lower leach recovery. Ore tons mined increased 50% to 117.6 million tons as waste material mined decreased to 33.3 million tons from 82.1 million tons. Ore placed on the leach pads increased to 111.2 million tons from 75.8 million tons. Leach production was 1,097,400 ounces compared to 1,187,000 ounces due to the timing of leach recoveries. Mill production was 462,100 ounces compared to 202,500 ounces due to higher grade and throughput as mill production only commenced in the second quarter of 2008. *Costs applicable to sales* decreased in the first nine months of 2009 to $313 per ounce from $346 per ounce due to higher production, mining less waste material and lower diesel prices, partially offset by higher workers participation costs, higher royalties and lower by-product credits.

We expect consolidated gold sales for South America of approximately 1.95 to 2.05 million ounces at *Costs applicable to sales* of approximately $300 to $320 per ounce.

55

Table of Contents

Asia Pacific Operations

	Gold Ounces Sold or Copper Pounds Sold		Costs Applicable to Sales[1]		Amortization	
	2009	2008	2009	2008	2009	2008
	(ounces in thousands)		($ per ounce)		($ per ounce)	
Three Months Ended September 30, Gold						
Jundee	103	105	$ 329	$ 414	$ 119	$ 92
Tanami	65	86	684	638	157	113
Kalgoorlie (50% owned)	93	80	638	790	48	50
Waihi	28	41	518	397	168	239
Batu Hijau (45% owned) [2]	208	28	178	718	44	137
	497	340	$ 380	$ 582	$ 82	$ 109
	(pounds in millions)		($ per pound)		($ per pound)	
Three Months Ended September 30, Copper						
Batu Hijau (45% owned) [2]	141	44	$ 0.50	$ 1.98	$ 0.12	$ 0.37

	Gold Ounces Sold or Copper Pounds Sold		Costs Applicable to Sales[1]		Amortization	
	2009	2008	2009	2008	2009	2008
	(ounces in thousands)		($ per ounce)		($ per ounce)	
Nine Months Ended September 30, Gold						
Jundee	305	305	$ 339	$ 411	$ 109	$ 86
Tanami	238	276	613	588	133	98
Kalgoorlie (50% owned)	239	212	630	807	45	54
Waihi	84	106	457	428	217	231
Batu Hijau (45% owned) [2]	381	185	232	412	59	82
	1,247	1,084	$ 422	$ 535	$ 93	$ 97
	(pounds in millions)		($ per pound)		($ per pound)	
Nine Months Ended September 30, Copper						
Batu Hijau (45% owned) [2]	342	201	$ 0.63	$ 1.70	$ 0.16	$ 0.34

[1] Excludes *Amortization*

and *Accretion*.

(2) Consolidated gold ounces or copper pounds sold includes noncontrolling interests share.

Third quarter 2009 compared to 2008

Jundee, Australia. Gold ounces sold decreased 2% due to lower inventory sales, partially offset by milling higher grade material. *Costs applicable to sales* per ounce decreased to $329 from $414 per ounce primarily due to lower power and underground mining costs.

Tanami, Australia. Gold ounces sold decreased 24% due to milling lower grade material. *Costs applicable to sales* per ounce increased by 7% due to lower production, partially offset by lower royalties.

Kalgoorlie, Australia. Gold ounces sold increased 16% due to higher mill throughput and recovery. *Costs applicable to sales* per ounce decreased 19% due to higher production and lower diesel prices.

Waihi, New Zealand. Gold ounces sold decreased 32% due to an electrical fire at the mill in May 2009 which suspended milling activities until August. *Costs applicable to sales* per ounce increased to $518 from $397 due to lower production, partially offset by lower operating costs during the temporary suspension of milling activities.

Batu Hijau, Indonesia. Copper and gold sales at Batu Hijau increased significantly due to higher mill throughput, grade and recovery due to processing higher grade and softer Phase 5 ore. The third quarter of 2008 was also impacted by a delayed shipment. Copper and gold production increased by 104% and 196%, respectively. As a result, *Costs applicable to sales* decreased approximately 75%, to $0.50 per pound of copper and $178 per ounce of gold.

Table of Contents

Boddington, Australia. Boddington began milling ore during the third quarter of 2009 and had its first gold pour and copper concentrate shipments in September. We expect to begin commercial production in the fourth quarter of 2009. Construction was substantially complete at September 30, 2009 and we expect total project costs of approximately $3,000, excluding capitalized interest, on a 100% basis.

First nine months 2009 compared to 2008

Jundee, Australia. Gold ounces sold were consistent as higher mill throughput was offset by lower grade and recovery. *Costs applicable to sales* per ounce decreased to $339 from $411 per ounce due to lower power and underground mining costs.

Tanami, Australia. Gold ounces sold decreased 14% primarily due to milling lower grade material. *Costs applicable to sales* per ounce increased 4% primarily as a result of lower gold production and higher royalties.

Kalgoorlie, Australia. Gold ounces sold increased 13% due to higher mill throughput, grade and recovery. *Costs applicable to sales* per ounce decreased 22% due to higher production, lower diesel prices and lower mill consumable costs.

Waihi, New Zealand. Gold ounces sold decreased 21% due to the temporary suspension of milling operations. *Costs applicable to sales* per ounce increased to $457 from $428 per ounce due to lower production, higher royalty costs and higher by-product credits, partially offset by lower operating costs.

Batu Hijau, Indonesia. Copper and gold sales at Batu Hijau increased 70% and 106%, respectively, due to higher mill throughput, grade and recovery due to processing higher grade and softer Phase 5 ore compared to ore sourced primarily from lower grade stockpiles in 2008. Total *Costs applicable to sales* decreased $112 due to changes in ore stockpiles and concentrate inventory and lower mining costs. *Costs applicable to sales* decreased to $0.63 per pound of copper and $232 per ounce of gold, primarily a result of higher sales volumes.

On September 18, 2009, Batu Hijau experienced a geotechnical failure in a portion of the west wall of the open-pit. Batu Hijau utilizes a number of preventive measures, including radar threshold alarms, to monitor movements in the pit walls. As a result, mobile equipment and personnel were evacuated from the pit prior to the wall failure. Operations were suspended for approximately three weeks in the pit pending a geotechnical review and development of a remediation plan to recommence mining operations. Batu Hijau continued to process lower grade ore from stockpiles during the suspension period. Mining operations returned to normal on October 10. With higher than forecasted production during the first nine months of 2009, the geotechnical failure is not expected to have a significant impact on the Company s previously released guidance for 2009 sales volumes and unit costs. However, the geotechnical failure will require the accelerated removal of waste material displaced from the event as well as changes to the balance of Phase 5 and the initiation of Phase 6. In general, the Company expects delays in access to ore previously anticipated in 2010 and 2011 with a marginal decrease in ore mined from the ultimate Phase 6 pit.

With the Boddington ramp up underway later in the year, we expect gold sales for the Asia Pacific operations of approximately 1.7 to 1.85 million ounces at *Costs applicable to sales* of approximately $450 to $470 per ounce in 2009. We expect 2009 copper sales for the Asia Pacific operations to be approximately 460 to 510 million pounds of copper at *Costs applicable to sales* of approximately $0.50 to $0.65 per pound.

We currently have a 45% ownership interest in the Batu Hijau mine, held through the Nusa Tenggara Partnership (NTP) with an affiliate of Sumitomo Corporation of Japan. We have a 56.25% interest in NTP and the Sumitomo affiliate holds the remaining 43.75%. NTP in turn owns 80% of P.T. Newmont Nusa Tenggara (PTNNT), the Indonesian subsidiary that owns Batu Hijau. The remaining 20% interest in PTNNT is owned by P.T. Pukuafu Indah (PTPI), an unrelated Indonesian company.

Under the Contract of Work issued to PTNNT by the Indonesian government, beginning in 2006 and continuing through 2010, a portion of PTNNT s shares must be offered for sale to the Indonesian government or its nominee, equal to the difference between the following percentages and the percentage of shares already owned by the Indonesian government or Indonesian nationals (if such number is positive): 23% by March 31, 2006; 30% by March 31, 2007; 37% by March 31, 2008; 44% by March 31, 2009; and 51% by March 31, 2010. The price at which such interest must be offered for sale to the Indonesian parties is the highest of the then-current replacement cost, the price at which shares would be accepted for listing on the Indonesian Stock Exchange, or the fair market value of such interest as a going concern, as agreed with the Indonesian government. In March 2008, the Indonesian government

and PTNNT each instituted an arbitration proceeding to resolve a dispute concerning the divestiture of PTNNT shares. On March 31, 2009, the international arbitration panel issued a final award resolving the claims asserted. For further information related to the dispute and the international arbitration proceeding, including a description of the factual basis for the claims, and a description of the arbitration decision, refer to Note 27, Commitments and Contingencies. Pursuant to the arbitration decision and the terms of the Contract of Work, it is possible that the ownership interest of NTP in PTNNT could be reduced to 49% or that subsequent disputes may arise concerning the divestiture of shares.

Table of Contents

We follow the consolidation accounting guidance which provides guidance on the identification and reporting for entities over which control is achieved through means other than voting rights. Such entities are defined as Variable Interest Entities (VIEs). We identified NTP, the partnership that owns an 80% interest in PTNNT, as a VIE due to certain capital structures and contractual relationships. As a result of our 56.25% ownership in NTP, we consolidate Batu Hijau, and will continue to consolidate Batu Hijau, in our Consolidated Financial Statements as long as we continue to be the primary beneficiary of NTP and NTP controls PTNNT.

A divestiture of shares that results in the ownership interest of NTP in PTNNT being reduced to 49% may require us to deconsolidate PTNNT. In such circumstances, if NTP does not maintain the power to direct the activities that most significantly impact PTNNT s economic performance, we would deconsolidate Batu Hijau and recognize the likely gain resulting from the divestiture of shares in earnings. In addition, we would record our remaining noncontrolling interest in PTNNT at fair value, with the related likely gain also recognized in earnings. Upon deconsolidation, we would account for our remaining noncontrolling interest in PTNNT as an equity method investment and would recognize our portion of PTNNT s earnings thereafter as a single line item in our consolidated statements of income. If we continue to consolidate Batu Hijau, any gains resulting from divestiture of shares would be included in *Newmont stockholders equity* in our consolidated balance sheets. See Note 25 to the Condensed Consolidated Financial Statements for financial information relating to Batu Hijau.

The long awaited forest use permit (called a Pinjam Pakai) was received on September 1, 2009 and the permit renewal is valid until 2025. This permit is a key requirement to continue to operate Batu Hijau efficiently, in addition to the ultimate life of the mine and recoverability of reserves. We had been in discussions for over three years to extend the Pinjam Pakai.

Africa Operations

	Gold Ounces Sold[1]		Costs Applicable to Sales[2]		Amortization	
	2009	2008	2009	2008	2009	2008
	(in thousands)		($ per ounce)		($ per ounce)	
Three Months Ended September 30,						
Ahafo	136	141	$ 446	$ 402	$ 130	$ 116

	Gold Ounces Sold[1]		Costs Applicable to Sales[2]		Amortization	
	2009	2008	2009	2008	2009	2008
	(in thousands)		($ per ounce)		($ per ounce)	
Nine Months Ended September 30,						
Ahafo	412	380	$ 424	$ 416	$ 125	$ 129

(1) Includes 3 and 19 incremental start-up ounces for the three and nine months ended September 30, 2008.

(2)

Excludes *Amortization* and *Accretion.*

Third quarter 2009 compared to 2008

Ahafo, Ghana. Gold ounces sold were 4% lower due to an increase in finished goods inventory, partially offset by higher production as a result of higher mill throughput. Ore tons mined decreased to 2.9 million tons, down from 3.6 million tons as total tons mined decreased to 12.0 million tons from 14.8 million tons. *Costs applicable to sales* per ounce increased to $446 from $402 due to lower gold sales volumes and processing higher cost stockpile material, partially offset by lower waste mining and power costs.

First nine months 2009 compared to 2008

Ahafo, Ghana. Gold ounces sold increased 8% due to milling higher grade material, partially offset by lower recovery. Ore tons mined increased 15% to 9.3 million tons as total tons mined increased 12% to 40.0 million tons due to additional mining equipment added in late 2008. *Costs applicable to sales* per ounce increased due to higher labor, contracted services, maintenance and mill consumable costs, partially offset by higher sales volumes and lower diesel costs.

We continue to expect gold sales of approximately 500,000 to 525,000 ounces at *Costs applicable to sales* of approximately $425 to $450 per ounce in 2009.

Table of Contents

Foreign Currency Exchange Rates

Our foreign operations sell their gold and copper production based on U.S. dollar metal prices. Approximately 22% and 28% of our *Costs applicable to sales* were paid in local currencies during the third quarter of 2009 and 2008, respectively. Approximately 22% and 28% of our *Costs applicable to sales* were paid in local currencies during the first nine months of 2009 and 2008, respectively. Variations in the local currency exchange rates in relation to the U.S. dollar at our foreign mining operations decreased consolidated *Costs applicable to sales* per ounce by approximately $12 and $16, net of hedging gains and losses, during the third quarter and first nine months of 2009, respectively, as compared to the corresponding periods in 2008.

Liquidity and Capital Resources

Cash Provided from Operating Activities

Net cash provided from continuing operations was $1,946 for the first nine months of 2009 compared to $1,168 in 2008 primarily due to increased gold and copper sales volumes, a higher realized gold price and income tax refunds received in 2009, partially offset by lower realized copper prices.

Investing Activities

Net cash used in investing activities of continuing operations was $2,088 during the first nine months of 2009 compared to $1,617 during the same period of 2008 due to higher additions to property, plant and mine development and the acquisition of the remaining 33.33% interest in Boddington.

Additions to property, plant and mine development were as follows:

	Nine Months Ended September 30,	
	2009	**2008**
North America:		
Nevada	$ 154	$ 227
Hope Bay	4	63
La Herradura	34	17
	192	307
South America:		
Yanacocha	94	126
Asia Pacific:		
Boddington	961	604
Jundee	21	29
Tanami	42	34
Kalgoorlie	6	10
Waihi	6	24
Batu Hijau	30	65
Other	2	1
	1,068	767
Africa:		
Ahafo	42	76
Akyem	4	1

	46	77
Corporate and Other	12	6
Accrual basis	1,412	1,283
(Increase) decrease in accrual	(98)	67
Cash basis	$ 1,314	$ 1,350

Capital expenditures in North America for the first nine months of 2009 primarily related to surface and underground mine development at Nevada. Capital expenditures in South America primarily related to the Conga project and dewatering, mine maintenance and leach pad development at Yanacocha. The vast majority of capital expenditures in Asia Pacific were for the Boddington project, (which includes 100% of expenditures for 2009) with other capital expenditures for mine development in Australia and equipment purchases at Batu Hijau. At September 30, 2009, we have hedged 33% of our expected remaining Boddington project Australian dollar denominated capital expenditures for 2009 at an average rate of 0.80. Capital expenditures in Africa primarily related to mine and infrastructure development at Ahafo. The Company has narrowed its 2009 consolidated capital expenditure outlook to between $1,600 and $1,700, primarily as a result of the later than expected start-up of Boddington which is offset by lower capital expenditures throughout the rest of the portfolio.

Table of Contents

Capital expenditures in North America during the first nine months of 2008 were primarily related to the completion of the power plant and mine development. South America capital expenditures were primarily related to construction of the gold mill, development of the Conga project and leach pad expansions. Capital expenditures in Asia Pacific largely resulted from the continued construction of the Boddington project in Australia and mine development and construction of a second tailings pipeline at Batu Hijau. Capital expenditures in Africa were mainly as a result of mine equipment purchases, the Awonsu, Ahafo North and Amoma pits development and mine development.

Investments in and proceeds from sale of marketable debt and equity securities. During the first nine months of 2009 we received $10 from the sale of asset backed commercial paper and marketable equity securities. During the first nine months of 2008, we purchased marketable equity securities of Gabriel Resources for $11 and other marketable securities for $7. In the first nine months of 2008, we received $50 from the sale of marketable equity securities.

Acquisitions. In the first nine months of 2009, we paid $741 (net of $1 cash acquired) and paid $14 in acquisition costs to acquire the remaining 33.33% interest in Boddington. Consideration for the acquisition also includes $240 payable in cash and/or Newmont common stock, at our option, by December 2009 and a contingent royalty capped at $100, equal to 50% of the average realized operating margin (Revenue less costs applicable to sales on a by-product basis), if any, exceeding $600 per ounce, payable on one-third of gold sales from Boddington beginning in the second quarter of 2010. The completion of the acquisition in June 2009 brought Newmont s interest in Boddington to 100%. Additionally, we paid $11 for a mining property near the La Herradura, Mexico operation in the first nine months of 2009. During the first nine months of 2008, we paid $318 to acquire the remaining outstanding common shares of Miramar, resulting in Miramar becoming a wholly-owned subsidiary. The total Miramar purchase price was $1,353.

Financing Activities

Net cash provided from financing activities was $2,689 during the first nine months of 2009 compared to $215 during the same period of 2008, for the reasons explained below.

Proceeds from and repayment of debt, net. During the first nine months of 2009, we received aggregate proceeds from debt of $4,302 comprised of: $1,082 net proceeds from the issuance of senior notes due in 2039, $896 net proceeds from the issuance of senior notes due in 2019, $504 net proceeds from the issuance of convertible senior notes due in 2012, $54 from short-term borrowings at Batu Hijau, $10 under the Ahafo project facility and $1,756 under our $2,000 revolving credit facility. In addition, we repaid $2,604 of debt: $43 for Batu Hijau project financing scheduled debt repayments, $24 related to the sale-leaseback of the refractory ore treatment plant (classified as a capital lease), $2,513 under our $2,000 revolving credit facility and $24 on other credit facilities and other capital leases. At September 30, 2009 we had no borrowings under our revolving credit facility. The revolving credit facility is also used to secure the issuance of letters of credit totaling $320, primarily supporting reclamation obligations (see *Off-Balance Sheet Arrangements* below).

Scheduled minimum debt repayments are $127 for the remainder of 2009, $157 in 2010, $336 in 2011, $603 in 2012, $116 in 2013 and $3,584 thereafter. We expect to be able to fund maturities of debt from *Net cash provided by operating activities*, cash balances, existing credit facilities, proceeds of asset sales and financing alternatives available in the public capital markets.

At September 30, 2009, we were in compliance with all required debt covenants and other restrictions related to our debt agreements.

Dividends paid to common stockholders. We declared regular quarterly dividends totaling $0.30 per common share through September 30, 2009 and September 30, 2008. Additionally, Newmont Mining Corporation of Canada Limited, a subsidiary of the Company, declared regular quarterly dividends on its exchangeable shares totaling C$0.3559 per share through September 30, 2009 and C$0.3031 through September 30, 2008. We paid dividends of $147 and $136 to common stockholders in the first nine months of 2009 and 2008, respectively.

Dividends paid to noncontrolling interests. We paid dividends of $115 and $247 to noncontrolling interests in subsidiaries during the first nine months of 2009 and 2008, respectively.

Table of Contents

Proceeds from stock issuance. We received proceeds of $1,248 and $27 during the first nine months of 2009 and 2008, respectively, from the issuance of common stock. In February 2009 we completed a public offering of 34,500,000 shares of common stock at a price of $37 per share for net proceeds of $1,233.

Discontinued Operations

Net operating cash provided from (used in) discontinued operations was $3 and $(105) in the first nine months of 2009 and 2008, respectively. During the first nine months of 2008, we made tax payments of $153 related to the 2007 royalty portfolio sale.

Net cash used in investing activities of discontinued operations was $nil and $(11) in the first nine months of 2009 and 2008, respectively. Cash used in investing activities of discontinued operations in 2008 included payment of accrued costs related to the 2007 royalty portfolio sale ($11) and capital expenditures at Kori Kollo ($5), partially offset by proceeds from the sale of Pajingo assets ($5).

Net cash used in financing activities of discontinued operations during the first nine months of 2009 and 2008 were for scheduled debt payments at Kori Kollo.

Off-Balance Sheet Arrangements

We have the following off-balance sheet arrangements: operating leases (as disclosed in Note 30 to the Consolidated Financial Statements in our Form 8-K for the year ended December 31, 2008, filed on September 15, 2009) and $872 of outstanding letters of credit, surety bonds and bank guarantees. We also provide a contingent support line of credit to PT Newmont Nusa Tenggara of which our pro-rata share is $11. We have sales agreements to sell copper concentrates at market prices as follows, in thousands of tons:

	2009	2010	2011	2012	2013	Thereafter
Batu Hijau	201	814	670	651	639	231
Boddington	39	231	254	231	243	1,157
Nevada	48	50	46			
	288	1,095	970	882	882	1,388

Environmental

Our mining and exploration activities are subject to various federal and state laws and regulations governing the protection of the environment. These laws and regulations are continually changing and are generally becoming more restrictive. We conduct our operations so as to protect the public health and environment and believe our operations are in compliance with applicable laws and regulations in all material respects. We have made, and expect to make in the future, expenditures to comply with such laws and regulations, but cannot predict the full amount of such future expenditures. Estimated future reclamation costs are based principally on legal and regulatory requirements. At September 30, 2009 and December 31, 2008, $624 and $594, respectively, were accrued for reclamation costs relating to currently producing mineral properties.

In addition, we are involved in several matters concerning environmental obligations associated with former mining activities. Generally, these matters concern developing and implementing remediation plans at the various sites involved. We believe that the related environmental obligations associated with these sites are similar in nature with respect to the development of remediation plans, their risk profile and the compliance required to meet general environmental standards. Based upon our best estimate of our liability for these matters, $153 and $163 were accrued for such obligations at September 30, 2009 and December 31, 2008, respectively. Depending upon the ultimate resolution of these matters, we believe that it is reasonably possible that the liability for these matters could be as much as 135% greater or 7% lower than the amount accrued at September 30, 2009. The amounts accrued for these matters are reviewed periodically based upon facts and circumstances available at the time. Changes in estimates are charged to *Other expense, net* in the period estimates are revised. During the first nine months of 2008, we had reclamation estimate revisions of $74 that relate primarily to an increase in the reclamation liability at the former Mt. Leyshon and Midnite mine sites. The Mt. Leyshon reclamation revision was for site characterization, stabilization and long-term surface water management due to overflow discharge from heavy rain. The Midnite mine site reclamation

increased in light of the mid-2008 decisions made in the U.S. District Court for the Eastern District of Washington. For more information on our reclamation and remediation liabilities, see Notes 23 and 27 to the Condensed Consolidated Financial Statements.

Table of Contents

During the first nine months of 2009 and 2008, capital expenditures were approximately $128 and $148, respectively, to comply with environmental regulations. Ongoing costs to comply with environmental regulations have not been a significant component of operating costs.

We spent $15 and $34, respectively, during the first nine months of 2009 and 2008 for environmental obligations related to the former, primarily historic, mining activities discussed in Note 23 to the Condensed Consolidated Financial Statements.

Recently Adopted Accounting Pronouncements

The Accounting Standards Codification

In June 2009, the Financial Accounting Standards Board (FASB) established the *FASB Accounting Standards Codification* (ASC) as the single source of authoritative GAAP to be applied by nongovernmental entities. The ASC is a new structure which took existing accounting pronouncements and organized them by accounting topic. Relevant authoritative literature issued by the Securities and Exchange Commission (SEC) and select SEC staff interpretations and administrative literature was also included in the ASC. All other accounting guidance not included in the ASC is nonauthoritative. The ASC was effective for our interim quarterly period beginning July 1, 2009. The adoption of the ASC did not have an impact on our consolidated financial position, results of operations or cash flows.

Subsequent Events

In May 2009, the ASC guidance for subsequent events was updated to establish accounting and reporting standards for events that occur after the balance sheet date but before financial statements are issued or are available to be issued. The update sets forth: (i) the period after the balance sheet date during which management of a reporting entity should evaluate events or transactions that may occur for potential recognition or disclosure in the financial statements, (ii) the circumstances under which an entity should recognize events or transactions occurring after the balance sheet in its financial statements, and (iii) the disclosures that an entity should make about events or transactions occurring after the balance sheet date in its financial statements. We adopted the updated guidance for our interim period ended June 30, 2009. The adoption had no impact on our consolidated financial position, results of operations or cash flows.

Post-Retirement Benefit Plans

In December 2008, the ASC guidance for retirement benefits was updated to expand the requirements of employers disclosures about post-retirement benefit plan assets in a defined benefit pension or other post-retirement plan. The objective is to require more detailed disclosures about employers plan assets, including employers investment strategies, major categories of plan assets, concentrations of risk within plan assets, and valuation techniques used to measure the fair value of plan assets. We adopted the updated guidance on January 1, 2009. These disclosures are not required for earlier periods that are presented for comparative purposes.

Equity Method Investments

In November 2008, the ASC guidance for equity method and joint venture investments was updated to clarify the accounting for certain transactions and impairment considerations involving equity method investments. The intent is to provide guidance on: (i) determining the initial measurement of an equity method investment, (ii) recognizing other-than-temporary impairments of an equity method investment and (iii) accounting for an equity method investee s issuance of shares. The updated guidance was effective for our fiscal year beginning January 1, 2009 and was applied prospectively. The adoption had no impact on our consolidated financial position or results of operations.

Equity-Linked Financial Instruments

In June 2008, the ASC guidance for derivatives and hedging when accounting for contracts in an entity s own equity was updated to clarify the determination of whether an instrument (or embedded feature) is indexed to an entity s own stock which would qualify as a scope exception from hedge accounting. The updated guidance was effective for our fiscal year beginning January 1, 2009. The adoption had no impact on our consolidated financial position or results of operations.

Table of Contents

Accounting for Convertible Debt Instruments

In May 2008, the ASC guidance was updated for convertible debt instruments that, by their stated terms, may be settled in cash (or other assets) upon conversion, including partial cash settlement, unless the embedded conversion option is required to be separately accounted for as a derivative. The update requires that the liability and equity components of convertible debt instruments within the scope be separately accounted for in a manner that reflects the entity s nonconvertible debt borrowing rate. This requires an allocation of convertible debt proceeds between the liability component and the embedded conversion option (i.e., the equity component). The difference between the principal amount of the debt and the amount of the proceeds allocated to the liability component is reported as a debt discount and subsequently amortized to earnings over the instrument s expected life using the effective interest method. The updated guidance required retrospective application to all periods presented.

During July 2007, we completed an offering of $1,150 convertible senior notes due 2014 and 2017, each in the amount of $575. The 2014 notes, maturing on July 15, 2014, pay interest semi-annually at a rate of 1.25% per annum, and the 2017 notes, maturing on July 15, 2017, pay interest semi-annually at a rate of 1.625% per annum. The notes are convertible, at the holder s option, equivalent to a conversion price of $46.21 per share of common stock (24,887,956 shares of common stock). In connection with the convertible senior notes offering, we entered into convertible note hedge transactions and warrant transactions (Call Spread Transactions). The Call Spread Transactions included the purchase of call options and the sale of warrants. As a result of the Call Spread Transactions, the conversion price of $46.21 was effectively increased to $60.27. At September 30, 2009, the if-converted value did not exceed the principal amounts.

During February 2009, we completed an offering of $518 convertible senior notes due on February 15, 2012. The notes will pay interest semi-annually at a rate of 3.00% per annum. The notes are convertible, at the holder s option, equivalent to a conversion price of $46.25 per share of common stock (11,189,189 shares of common stock). At September 30, 2009, the if-converted value did not exceed the principal amount.

We recorded the following in the Condensed Consolidated Balance Sheets related to the convertible senior notes:

	At September 30, 2009 Convertible Senior Notes Due			At December 31, 2008 Convertible Senior Notes Due		
	2012	2014	2017	2012	2014	2017
Additional paid-in capital	$ 46	$ 97	$ 123	$	$ 97	$ 123
Principal amount	$ 518	$ 575	$ 575	$	$ 575	$ 575
Unamortized debt discount	(60)	(112)	(162)		(127)	(174)
Net carrying amount	$ 458	$ 463	$ 413	$	$ 448	$ 401

As a result of adopting the updated guidance, the effective interest rates increased by approximately 5 percentage points to 8.5%, 6.0% and 6.25% for the 2012, 2014 and 2017 notes, respectively, for the non-cash amortization of the debt discount over the lives of the notes. *Interest expense* was increased by $9 which decreased our *Income from continuing operations* and *Net income* by $5 ($0.01 per share) for the three months ended September 30, 2008. *Interest expense* was increased by $25 which decreased our *Income from continuing operations* and *Net income* by $16 ($0.03 per share) for the nine months ended September 30, 2008. Had the update been effective in 2008, we would have charged our fourth quarter 2008 dividends to *Additional paid-in capital* rather than *Retained earnings*; therefore, we made the reclassification in 2009. Cash flows from operations were not impacted by the adoption of the updated guidance. The impact on our 2009 opening balance in *Retained earnings* was as follows:

	At December 31, 2008
Balance before application of updated guidance	$ 7
Impact of adoption of updated guidance	(31)
Reclassification of dividends to *Additional paid-in capital*	28

Balance after application of updated guidance	$ 4

For the three months ended September 30, 2009, we recorded $8 and $15 of interest expense for the contractual interest coupon and amortization of the debt discount, respectively, related to the convertible senior notes. For the nine months ended September 30, 2009, we recorded $22 and $41 of interest expense for the contractual interest coupon and amortization of the debt discount, respectively, related to the convertible senior notes. The remaining unamortized debt discount is amortized over the remaining 3, 5 and 8 year periods of the 2012, 2014 and 2017 convertible senior notes, respectively.

Table of Contents

Accounting for the Useful Life of Intangible Assets

In April 2008, the ASC guidance for Goodwill and Other Intangibles was updated to amend the factors that should be considered in developing renewal or extension assumptions used to determine the useful life of a recognized intangible asset. The intent of this update is to improve the consistency between the useful life of a recognized intangible asset and the period of expected cash flows used to measure the fair value of the asset under guidance for business combinations. The updated guidance was effective for our fiscal year beginning January 1, 2009 and was applied prospectively to intangible assets acquired after the effective date. The adoption had no impact on our consolidated financial position, results of operations or cash flows.

Derivative Instruments

In March 2008, the ASC guidance for derivatives and hedging was updated for enhanced disclosures about how and why an entity uses derivative instruments, how derivative instruments and the related hedged items are accounted for, and how derivative instruments and the related hedged items affect an entity s financial position, financial performance and cash flows. We adopted the updated guidance on January 1, 2009. The adoption had no impact on our consolidated financial position, results of operations or cash flows. See Note 16 for our derivative instruments disclosure.

Business Combinations

In December 2007, the ASC guidance for business combinations was updated to provide new guidance for recognizing and measuring identifiable assets and goodwill acquired, liabilities assumed, and any noncontrolling interest in the acquiree. The updated guidance also provides disclosure requirements to enable users of the financial statements to evaluate the nature and financial effects of the business combination. We adopted the updated guidance on January 1, 2009 and applied it to the acquisition of the remaining 33.33% interest in the Boddington project completed on June 25, 2009 (see Note 14).

In April 2009, the guidance was updated to address application issues on initial recognition and measurement, subsequent measurement and accounting, and disclosure of assets and liabilities arising from contingencies in a business combination. This update is effective for assets or liabilities arising from contingencies in business combinations for which the acquisition date is on or after January 1, 2009. The adoption of the updated guidance did not have any impact on the Company s acquisition of the remaining 33.33% interest in the Boddington project completed on June 25, 2009 (see Note 14).

Noncontrolling Interests

In December 2007, the ASC guidance for Noncontrolling Interests was updated to establish accounting and reporting standards pertaining to: (i) ownership interests in subsidiaries held by parties other than the parent (noncontrolling interest), (ii) the amount of net income attributable to the parent and to the noncontrolling interest, (iii) changes in a parent s ownership interest, and (iv) the valuation of any retained noncontrolling equity investment when a subsidiary is deconsolidated. If a subsidiary is deconsolidated, any retained noncontrolling equity investment in the former subsidiary is measured at fair value and a gain or loss is recognized in net income based on such fair value. For presentation and disclosure purposes, the guidance requires noncontrolling interests to be classified as a separate component of equity. We adopted the updated guidance on January 1, 2009. Except for presentation changes, the adoption had no impact on our consolidated financial position, results of operations or cash flows.

Fair Value Accounting

In September 2006, the ASC guidance for fair value measurements and disclosure was updated to define fair value, establish a framework for measuring fair value, and expand disclosures about fair value measurements. We adopted the updated guidance for assets and liabilities measured at fair value on a recurring basis on January 1, 2008. In February 2008, the FASB staff issued an update to the guidance which delayed the effective date for nonfinancial assets and nonfinancial liabilities that are recognized or disclosed at fair value in the financial statements on a nonrecurring basis. We adopted the updated guidance for our nonfinancial assets and liabilities measured at fair value on a nonrecurring basis on January 1, 2009.

Table of Contents

In April 2009, the guidance was further updated to provide additional guidance on determining fair value when the volume and level of activity for the asset or liability have significantly decreased and identifying circumstances that indicate when a transaction is not orderly. In April 2009, the guidance for investments in debt and equity securities was updated to: (i) clarify the interaction of the factors that should be considered when determining whether a debt security is other than temporarily impaired, (ii) provide guidance on the amount of an other-than-temporary impairment recognized for a debt security in earnings and other comprehensive income and (iii) expand the disclosures required for other-than-temporary impairments for debt and equity securities. Also in April 2009, the guidance for financial instruments was updated to require disclosures about the fair value of financial instruments for interim reporting periods of publicly traded companies as well as in annual financial statements. Adoption of this updated guidance was required for our interim reporting period beginning April 1, 2009 with early adoption permitted. We adopted the updated guidance for the interim period ended March 31, 2009. Refer to Note 15 for further details regarding our assets and liabilities measured at fair value.

Recently Issued Accounting Pronouncements

Fair Value Accounting

In August 2009, the ASC guidance for fair value measurements and disclosure was updated to further define fair value of liabilities. This update provides clarification for circumstances in which: (i) a quoted price in an active market for the identical liability is not available, (ii) the liability has a restriction that prevents its transfer, and (iii) the identical liability is traded as an asset in an active market in which no adjustments to the quoted price of an asset are required. The updated guidance is effective for our interim reporting period beginning October 1, 2009. We are evaluating the potential impact of adopting this guidance on our consolidated financial position, results of operations and cash flows.

Variable Interest Entities

In June 2009, the ASC guidance for consolidation accounting was updated to require an entity to perform a qualitative analysis to determine whether the enterprise s variable interest gives it a controlling financial interest in a variable interest entity (VIE). This analysis identifies a primary beneficiary of a VIE as the entity that has both of the following characteristics: (i) the power to direct the activities of a VIE that most significantly impact the entity s economic performance and (ii) the obligation to absorb losses or receive benefits from the entity that could potentially be significant to the VIE. The updated guidance also requires ongoing reassessments of the primary beneficiary of a VIE. The updated guidance is effective for our fiscal year beginning January 1, 2010. We currently account for Nusa Tenggara Partnership (NTP) as a VIE and are evaluating the potential impact of adopting this guidance on our consolidated financial position, results of operations and cash flows.

Safe Harbor Statement

Certain statements contained in this report (including information incorporated by reference) are 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, and are intended to be covered by the safe harbor provided for under these sections. Our forward-looking statements include, without limitation: (a) statements regarding future earnings, and the sensitivity of earnings to gold and other metal prices; (b) estimates of future mineral production and sales for specific operations and on a consolidated basis; (c) estimates of future production costs and other expenses, for specific operations and on a consolidated basis; (d) estimates of future cash flows and the sensitivity of cash flows to gold and other metal prices; (e) estimates of future capital expenditures and other cash needs for specific operations and on a consolidated basis and expectations as to the funding thereof; (f) statements as to the projected development of certain ore deposits, including estimates of development and other capital costs, financing plans for these deposits, and expected production commencement dates; (g) estimates of future costs and other liabilities for certain environmental matters; (h) estimates of reserves, and statements regarding future exploration results and reserve replacement; (i) statements regarding modifications to hedge positions; (j) statements regarding future transactions relating to portfolio management or rationalization efforts; and (k) projected synergies and costs associated with acquisitions and related matters.

Table of Contents

Where we express 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, our 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 those forward-looking statements. Important factors that could cause actual results to differ materially from such forward-looking statements (cautionary statements) are disclosed under Risk Factors in the Newmont Annual Report on Form 10-K for the year ended December 31, 2008, as well as in other filings with the Securities and Exchange Commission. Many of these factors are beyond Newmont s ability to control or predict. Given these uncertainties, readers are cautioned not to place undue reliance on our forward-looking statements.
All subsequent written and oral forward-looking statements attributable to Newmont or to persons acting on its behalf are expressly qualified in their entirety by the cautionary statements. Newmont disclaims any intention or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

Table of Contents

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

(dollars in millions, except per ounce and per pound amounts).

Metal Prices

Changes in the market price of gold significantly affect our profitability and cash flow. Gold prices can fluctuate widely due to numerous factors, such as demand; forward selling by producers; central bank sales, purchases and lending; investor sentiment; the strength of the U.S. dollar; inflation, deflation, or other general price instability; and global mine production levels. Changes in the market price of copper also affect our profitability and cash flow. Copper is traded on established international exchanges and copper prices generally reflect market supply and demand, but can also be influenced by speculative trading in the commodity or by currency exchange rates.

Cash Flow Hedges

Given that the fair value of our derivative instruments are based upon market rates and prices and that the volatility of these rates and prices are dependent on many factors subject to fluctuation, we are exposed to liquidity risks related to these contracts. We cash settle the fair value of each contract upon settlement with our counterparties. The settlement values of our contracts could differ significantly from the current fair values. As such, we are exposed to liquidity risk related to unfavorable changes in the fair value of our derivative contracts.

We had the following derivative instruments designated as hedges with fair values at September 30, 2009 and December 31, 2008:

	Fair Values of Derivative Instruments At September 30, 2009			
	Other Current Assets	Other Long-Term Assets	Other Current Liabilities	Other Long-Term Liabilities
Foreign currency exchange contracts:				
IDR operating forward purchase contracts	$ 1	$	$	$
NZ$ operating forward contracts	5	1		
A$ forward purchase contracts	72	59		
Diesel forward contracts	2	1		
Interest rate swap contracts	2	6		
Total derivative instruments	$ 82	$ 67	$	$

	Fair Values of Derivative Instruments At December 31, 2008			
	Other Current Assets	Other Long-Term Assets	Other Current Liabilities	Other Long-Term Liabilities
Foreign currency exchange contracts:				
IDR operating forward purchase contracts	$	$	$ 4	$
NZ$ operating forward contracts			5	1
A$ forward purchase contracts	3	1	87	42
A$ call option contracts	1			
Diesel forward contracts			15	
Interest rate swap contracts	2	7		
Total derivative instruments	$ 6	$ 8	$ 111	$ 43

Foreign Currency Exchange Risk

We utilize foreign currency contracts to reduce the variability of the US dollar amount of forecasted foreign currency expenditures caused by changes in currency rates.

We hedge up to 85% of our IDR, A$, and NZ$ denominated operating expenditures each period. The hedging instruments are forward purchase contracts with expiration dates ranging up to three years from the date of issue. The principal hedging objective is reduction in the volatility of realized period-on-period foreign exchange rates.

We hedge up to 95% of our A$ denominated capital expenditures related to the construction of Boddington. The hedging instruments consist of a series of fixed forward contracts with expiration dates ranging up to one year from the date of issue. The realized gains and losses associated with the capital expenditure hedge program will impact *Amortization* during future periods in which the Boddington assets are placed into service.

Table of Contents

All of the foreign currency contracts were designated as cash flow hedges, and as such, the effective portion of unrealized changes in market value have been recorded in *Accumulated other comprehensive income (loss)* and are recorded in earnings during the period in which the hedged transaction affects earnings. Gains and losses on the derivative representing hedge ineffectiveness are recognized in current earnings.

We had the following foreign currency derivative contracts outstanding at September 30, 2009:

	Expected Maturity Date				
	2009	2010	2011	2012	Total/ Average
IDR Forward Purchase Contracts:					
$ (millions)	$ 6	$	$	$	$ 6
Average rate (IDR/$)	10,584				10,584
IDR notional (millions)	63,501				63,501
A$ Operating Forward Purchase Contracts:					
$ (millions)	$ 118	$ 489	$ 275	$ 61	$ 943
Average rate ($/A$)	0.77	0.76	0.72	0.73	0.75
A$ notional (millions)	154	644	379	83	1,260
NZ$ Operating Forward Purchase Contracts:					
$ (millions)	$ 12	$ 28	$ 6	$	$ 46
Average rate ($/NZ$)	0.64	0.62	0.63		0.63
NZ$ notional (millions)	19	46	9		74
A$ Boddington Capital Forward Purchase Contracts:					
$ (millions)	$ 25	$	$	$	$ 25
Average rate ($/A$)	0.80				0.80
A$ notional (millions)	31				31

Diesel Price Risk

We hedge up to 66% of our operating cost exposure related to diesel prices of fuel consumed at our Nevada operations to reduce the variability in realized diesel prices. The hedging instruments consist of a series of financially settled fixed forward contracts with expiration dates of up to two years from the date of issue. The contracts have been designated as cash flow hedges of future diesel purchases, and as such, the effective portion of unrealized changes in the market value have been recorded in *Accumulated other comprehensive income (loss)* and are recorded in earnings during the period in which the hedged transaction affects earnings. Gains and losses from hedge ineffectiveness are recognized in current earnings.

We had the following diesel derivative contracts outstanding at September 30, 2009:

	Expected Maturity Date			
	2009	2010	2011	Total/ Average
Diesel Forward Purchase Contracts:				
$ (millions)	$ 12	$ 33	$ 9	$ 54
Average rate ($/gallon)	1.78	1.90	2.07	1.90
Diesel gallons (millions)	7	17	4	28

Treasury Rate Lock Contracts

In connection with the 2019 and 2039 notes issued in September 2009, we acquired treasury rate lock contracts to reduce the variability of the proceeds realized from the bond issuances. The treasury rate locks resulted in $6 and $5 unrealized gains for the 2019 and 2039 notes, respectively. We previously acquired treasury rate locks in connection

with the issuance of the 2035 notes that resulted in a $10 unrealized loss. The gains/losses from these contracts will be recognized over the remaining terms of the respective notes.

Table of Contents

Fair Value Hedges

Interest Rate Risk

At September 30, 2009, we had $100 fixed to floating swap contracts designated as a hedge against a portion of our 8 5/8% debentures. The interest rate swap contracts were transacted to provide balance to our mix of fixed and floating rate debt. Under the hedge contract terms, we receive fixed-rate interest payments at 8.625% and pay floating-rate interest amounts based on periodic London Interbank Offered Rate (LIBOR) settings plus a spread, ranging from 2.60% to 3.49%. The interest rate swap contracts were designated as fair value hedges, and as such, changes in fair value have been recorded in income in each period, consistent with recording changes to the mark-to-market value of the underlying hedged liability in income. Changes in the mark-to-market value of the effective portion of the interest rate swap contracts are recognized as a component of *Interest expense, net.* The hedge contracts decreased *Interest expense, net* by $1 and $nil for the three months ended September 30, 2009 and 2008, respectively, and decreased *Interest expense, net* by $3 and $1 for the nine months ended September 30, 2009 and 2008, respectively. For the three months ended September 30, 2009 and 2008, losses of $1 and $nil were included in *Other income, net* for the ineffective portion of derivative instruments designated as fair value hedges, respectively. For the nine months ended September 30, 2009 and 2008, losses of $2 and $nil, respectively, were included in *Other income, net* for the ineffective portion of derivative instruments designated as fair value hedges.

Commodity Price Risk

LME copper prices averaged $2.65 per pound during the three months ended September 30, 2009, compared with our recorded average provisional price of $2.73 per pound before mark-to-market gains and treatment and refining charges. LME copper prices averaged $2.12 per pound during the nine months ended September 30, 2009, compared with our recorded average provisional price of $2.23 per pound before mark-to-market gains and treatment and refining charges. The applicable forward copper price at the end of the quarter was $2.79 per pound. During the three months ended September 30, 2009, increasing copper prices resulted in a provisional pricing mark-to-market gain of $48 ($0.34 per pound). During the nine months ended September 30, 2009, changes in copper prices resulted in a provisional pricing mark-to-market gain of $112 ($0.33 per pound). At September 30, 2009, we had copper sales of 140 million pounds priced at an average of $2.79 per pound, subject to final pricing over the next several months.

The average London P.M. gold fix was $960 per ounce during the three months ended September 30, 2009, compared with our recorded average provisional gold price of $961 per ounce before mark-to-market gains and treatment and refining charges. The average London P.M. gold fix was $931 per ounce during the nine months ended September 30, 2009, compared with our recorded average provisional gold price of $930 per ounce before mark-to-market gains and treatment and refining charges. The applicable forward gold price at the end of the quarter was $996 per ounce. During the three months ended September 30, 2009, changes in gold prices resulted in a provisional pricing mark-to-market gain of $5 ($3 per ounce). During the nine months ended September 30, 2009, changes in gold prices resulted in a provisional pricing mark-to-market gain of $6 ($1 per ounce). At September 30, 2009, we had gold sales of 96,000 ounces priced at an average of $996 per ounce, subject to final pricing over the next several months.

ITEM 4. CONTROLS AND PROCEDURES.

During the fiscal period covered by this report, the Company s management, with the participation of the Chief Executive Officer and Chief Financial Officer of the Company, carried out an evaluation of the effectiveness of the design and operation of the Company s disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the Exchange Act)). Based on such evaluation, the Company s Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this report, the Company s disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the required time periods and are designed to ensure that information required to be disclosed in its reports is accumulated and communicated to the Company s management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

69

Table of Contents

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

Information regarding legal proceedings is contained in Note 27 to the Condensed Consolidated Financial Statements contained in this Report and is incorporated herein by reference.

ITEM 1A. RISK FACTORS.

The following risk factors contain information that updates those contained in the Corporation s Annual Report on Form 10-K for the year ended December 31, 2008, as filed with the SEC on February 19, 2009, and amended by Form 10-K/A filed with the SEC on June 8, 2009.

Our Interest in PT Newmont Nusa Tenggara (PTNNT) in Indonesia May be Reduced or Terminated under the Contract of Work

We operate Batu Hijau, a producer of copper/gold concentrates, in which we currently have a 45% ownership interest, held through the Nusa Tenggara Partnership (NTP) with an affiliate of Sumitomo Corporation of Japan. We have a 56.25% interest in NTP and a Sumitomo affiliate holds the remaining 43.75%. NTP in turn owns 80% of PTNNT, the Indonesian subsidiary that owns Batu Hijau. The remaining 20% interest in PTNNT is owned by P.T. Pukuafu Indah (PTPI), an unrelated Indonesian company.

Under the Contract of Work executed in 1986 between the Indonesian government and PTNNT, beginning in 2006 and continuing through 2010, a portion of PTNNT s shares must be offered for sale, first, to the Indonesian government or, second, to Indonesian nationals, such portion equal to the difference between the following percentages and the percentage of shares already owned by the Indonesian government or Indonesian nationals (if such number is positive): 23% by March 31, 2006; 30% by March 31, 2007; 37% by March 31, 2008; 44% by March 31, 2009; and 51% by March 31, 2010. The price at which such interest must be offered for sale to the Indonesian parties is the highest of the then-current replacement cost, the price at which shares would be accepted for listing on the Jakarta Stock Exchange, or the fair market value of such interest as a going concern, as agreed with the Indonesian government. Pursuant to this provision, it is possible that the ownership interest of the Newmont-Sumitomo partnership in PTNNT could be reduced to 49%, thus reducing our ability to control the operation at Batu Hijau.

PTPI has owned and continues to own a 20% interest in PTNNT, and therefore NTP was required to offer a 3% interest in the shares of PTNNT for sale in 2006 and an additional 7% interest in each of 2007, 2008 and 2009. In accordance with the Contract of Work, an offer to sell a 3% interest was made to the government of Indonesia in 2006 and an offer for an additional 7% interest was made in each of 2007, 2008 and 2009. Following notifications from the Department of Energy and Mineral Resources (the DEMR) alleging that PTNNT was in breach of its divestiture requirements under the Contract of Work and threatening to issue a notice to terminate the Contract of Work if PTNNT did not agree to divest by 2006, 2007, and 2008 shares in accordance with the direction of the DEMR, the matter was submitted to an international arbitration panel. That panel ruled in March 2009 that the 2006, 2007 and 2008 shares must be sold by the end of September 2009 and gave PTNNT until then to cure any default by selling the shares. On July 14, 2009, the Company reached agreement with the Indonesian government on the price of the 2008 7% interest and the 2009 7% interest. PTNNT has reoffered the 2008 7% interest and the 2009 7% interest to the Indonesian government at this newly agreed price. In September 2009, the deadline for completion of transfer of the 2006 3% interest, the 2007 7% interest and the 2008 7% interest was extended to November 12, 2009 by agreement between PTNNT and the Indonesian Government. This date coincides with the deadline for the sale and transfer of the 2009 7% interest. Future disputes may arise as to the divestiture of the shares, the outcome of which cannot be predicted. It is uncertain who will acquire the divestiture shares or the nature of our relations with the new owner or owners.

Our Batu Hijau Operation in Indonesia is Subject to Political and Economic Risks

We have a substantial investment in Indonesia, a nation that since 1997 has undergone financial crises and devaluation of its currency, outbreaks of political and religious violence and acts of terrorism, changes in national leadership, and the secession of East Timor, one of its former provinces. These factors heighten the risk of abrupt changes in the national policy toward foreign investors, which in turn could result in unilateral modification of concessions or contracts, increased taxation, denial of permits or permit renewals or expropriation of assets. Presidential and

parliamentary elections recently took place, and although the president was re-elected, new ministers or members of parliament may have different (and potentially more negative) views relating to mining in general or relative to our assets and operations from those of their predecessors.

Recent violence committed by radical elements in Indonesia and other countries, and the presence of U.S. forces in Iraq and Afghanistan, may increase the risk that operations owned by U.S. companies will be the target of violence. If our Batu Hijau operation was so targeted it could have an adverse effect on our business.

Table of Contents

ITEM 2. ISSUER PURCHASES OF EQUITY SECURITIES.

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid Per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares that may yet be Purchased under the Plans or Programs
July 1, 2009 through July 31, 2009				
August 1, 2009 through August 31, 2009				
September 1, 2009 through September 30, 2009				

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

ITEM 5. OTHER MATTERS.

On October 28, 2009, the Board of Directors (the Board) of Newmont Mining Corporation (the Company) approved and adopted a restatement of the Company s Certificate of Incorporation, which is attached hereto as Exhibit 3.1. The restatement does not further amend the Certificate of Incorporation, but only restates and integrates into one document all prior amendments to the Certificate of Incorporation, which were previously disclosed by the Company.

On October 28, 2009, the Board approved and adopted amendments to the Company s By-laws (the By-laws), which became effective upon adoption by the Board on October 28, 2009. The By-laws were amended primarily to implement certain recent amendments to the Delaware General Corporation Law. The amendments to the By-laws (i) permit the Board to fix one record date for stockholders entitled to notice of a meeting and a separate record date for determining stockholders entitled to vote at the meeting (Article V, Section 4), (ii) make other non-substantive and conforming changes and (iii) clarify existing provisions. Prior to these amendments, the By-laws did not permit the Board to fix separate record dates.

The foregoing summary of the amendments to the By-laws does not purport to be complete and is qualified in its entirety by reference to the full text of the By-laws, as amended and restated October 28, 2009, which are attached hereto as Exhibit 3.5 and are incorporated herein by reference.

ITEM 6. EXHIBITS.

(a) The exhibits to this report are listed in the Exhibit Index.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

	Newmont Mining Corporation (Registrant)
Date: October 29, 2009	/s/ Russell Ball
	Russell Ball **Executive Vice President and Chief Financial Officer** **(Principal Financial Officer)**
Date: October 29, 2009	/s/ Roger P. Johnson
	Roger P. Johnson **Vice President and Chief Accounting Officer** **(Principal Accounting Officer)**

Table of Contents

NEWMONT MINING CORPORATION
EXHIBIT INDEX

Exhibit Number	Description
3.1	Certificate of Incorporation of Registrant, restated as of October 28, 2009, filed herewith.
3.5	By-Laws of the Registrant, as amended and restated effective October 28, 2009, filed herewith.
4.1	Indenture, dated as of September 18, 2009, among Registrant, Newmont USA Limited and the Bank of New York Mellon Trust Company, N.A., as Trustee. Incorporated herein by reference to Registrant s Form 8-K filed with the Securities and Exchange Commission on September 18, 2009.
4.2	First Supplemental Indenture, dated as of September 18, 2009, among Registrant, Newmont USA Limited and the Bank of New York Mellon Trust Company, N.A., as Trustee. Incorporated herein by reference to Registrant s Form 8-K filed with the Securities and Exchange Commission on September 18, 2009.
4.3	Form of the 2019 Notes (included as part of Exhibit 4.2).
4.4	Form of the 2039 Notes (included as part of Exhibit 4.2).
4.5	Form of Guaranty for the 2019 Notes (included as part of Exhibit 4.2).
4.6	Form of Guaranty for the 2039 Notes (included as part of Exhibit 4.2).
12.1	Computation of Ratio of Earnings to Fixed Charges, filed herewith.
31.1	Certification Pursuant to Rule 13A-14 or 15-D-14 of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 signed by the Principal Executive Officer, filed herewith.
31.2	Certification Pursuant to Rule 13A-14 or 15-D-14 of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 signed by the Chief Financial Officer, filed herewith.
32.1	Statement Required by 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 signed by Principal Executive Officer, filed herewith.(1)
32.2	Statement Required by 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 signed by Chief Financial Officer, filed herewith.(1)
101	The following materials from the Quarterly Report on Form 10-Q of Newmont Mining Corporation for the three and nine months ended September 30, 2009, filed on October, 29, 2009, formatted in XBRL (eXtensible Business Reporting Language): (i) Condensed Consolidated Statements of Income, (ii) Condensed Consolidated Balance Sheets,

(iii) Condensed Consolidated Statements of Cash Flows, (iv) document and entity information, and (v) related notes to these financial statements tagged as blocks of text. Users of this data are advised pursuant to Rule 401 of Regulation S-T that the financial information contained in the XBRL document is unaudited and these are not the officially publicly filed financial statements of Newmont Mining Corporation. The purpose of submitting these XBRL formatted documents is to test the related format and technology and, as a result, investors should continue to rely on the official filed version of the furnished documents and not rely on this information in making investment decisions. In accordance with Rule 402 of Regulation S-T, the information in this Exhibit 100 shall not be deemed filed for the purposes of section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by the specific reference in such filing.

(1) This document is being furnished in accordance with SEC Release Nos. 33-8212 and 34-47551.