

NEWMONT MINING CORP /DE/
Form 10-Q
October 31, 2013
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

Form 10-Q

(Mark One)

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

For the Quarterly Period Ended September 30, 2013

or

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 (State or Other Jurisdiction of	84-1611629 (I.R.S. Employer
Incorporation or Organization)	Identification No.)
6363 South Fiddler s Green Circle Greenwood Village, Colorado (Address of Principal Executive Offices)	80111 (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. Yes 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). Yes 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 definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12-b2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company.) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12-b2 of the Exchange Act). Yes No

There were 493,059,095 shares of common stock outstanding on October 24, 2013 (and 4,811,413 exchangeable shares).

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Table of Contents**PART I FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS.****NEWMONT MINING CORPORATION****CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS)****(unaudited, in millions except per share)**

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2013	2012	2013	2012
Sales (Note 3)	\$ 1,983	\$ 2,480	\$ 6,153	\$ 7,392
Costs and expenses				
Costs applicable to sales ⁽¹⁾ (Note 3)	1,036	1,088	3,733	3,107
Amortization	299	272	981	751
Reclamation and remediation (Note 4)	20	17	56	49
Exploration	60	115	195	309
Advanced projects, research and development	67	74	165	258
General and administrative	48	51	158	162
Write-downs (Note 5)	3		2,265	
Other expense, net (Note 6)	84	131	260	377
	1,617	1,748	7,813	5,013
Other income (expense)				
Other income, net (Note 7)	290	52	366	121
Interest expense, net	(76)	(67)	(211)	(190)
	214	(15)	155	(69)
Income (loss) before income and mining tax and other items	580	717	(1,505)	2,310
Income and mining tax benefit (expense) (Note 8)	(154)	(228)	(10)	(746)
Equity income (loss) of affiliates	1	(9)	(6)	(39)
Income (loss) from continuing operations	427	480	(1,521)	1,525
Income (loss) from discontinued operations (Note 9)	(21)	(33)	53	(104)
Net income (loss)	406	447	(1,468)	1,421
Net loss (income) attributable to noncontrolling interests (Note 10)	2	(80)	172	(285)
Net income (loss) attributable to Newmont stockholders	\$ 408	\$ 367	\$ (1,296)	\$ 1,136

Net income (loss) attributable to Newmont stockholders:

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Continuing operations	\$ 429	\$ 400	\$ (1,349)	\$ 1,240
Discontinued operations	(21)	(33)	53	(104)
	\$ 408	\$ 367	\$ (1,296)	\$ 1,136
Income (loss) per common share (Note 11)				
Basic:				
Continuing operations	\$ 0.86	\$ 0.81	\$ (2.72)	\$ 2.50
Discontinued operations	(0.04)	(0.07)	0.11	(0.21)
	\$ 0.82	\$ 0.74	\$ (2.61)	\$ 2.29
Diluted:				
Continuing operations	\$ 0.86	\$ 0.81	\$ (2.72)	\$ 2.48
Discontinued operations	(0.04)	(0.07)	0.11	(0.21)
	\$ 0.82	\$ 0.74	\$ (2.61)	\$ 2.27
Cash dividends declared per common share	\$ 0.25	\$ 0.35	\$ 1.025	\$ 1.05

(1) Excludes *Amortization and Reclamation and remediation*.

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

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NEWMONT MINING CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(unaudited, in millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Net income (loss)	\$ 406	\$ 447	\$ (1,468)	\$ 1,421
Other comprehensive income (loss):				
Unrealized gain (loss) on marketable securities, net of \$36, \$62, \$151 and \$(67) tax benefit and (expense), respectively	(134)	184	(413)	(129)
Foreign currency translation adjustments	(6)	16	(28)	16
Change in pension and other post-retirement benefits, net of \$(61), \$(3), \$(69) and \$(7) tax benefit and (expense), respectively	113	4	124	12
Change in fair value of cash flow hedge instruments, net of \$(35), \$(16), \$110 and \$(34) tax benefit and (expense), respectively				
Net change from periodic revaluations	48	55	(189)	128
Net amount reclassified to income	(4)	(24)	(39)	(83)
Net unrecognized gain (loss) on derivatives	44	31	(228)	45
Other comprehensive income (loss)	17	235	(545)	(56)
Comprehensive income (loss)	\$ 423	\$ 682	\$ (2,013)	\$ 1,365
Comprehensive income (loss) attributable to:				
Newmont stockholders	\$ 423	\$ 601	\$ (1,842)	\$ 1,079
Noncontrolling interests		81	(171)	286
	\$ 423	\$ 682	\$ (2,013)	\$ 1,365

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

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NEWMONT MINING CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited, in millions)

	Nine Months Ended September 30,	
	2013	2012
Operating activities:		
Net income (loss)	\$ (1,468)	\$ 1,421
Adjustments:		
Amortization	981	751
Stock based compensation and other non-cash benefits	55	55
Reclamation and remediation	56	49
Loss (income) from discontinued operations	(53)	104
Write-downs	2,265	
Impairment of marketable securities	52	39
Deferred income taxes	(570)	25
Gain on asset and investment sales, net	(282)	(12)
Other operating adjustments and write-downs	697	149
Net change in operating assets and liabilities (Note 24)	(558)	(1,039)
Net cash provided from continuing operations	1,175	1,542
Net cash used in discontinued operations	(14)	(12)
Net cash provided from operations	1,161	1,530
Investing activities:		
Additions to property, plant and mine development	(1,528)	(2,394)
Acquisitions, net	(13)	(22)
Sale of marketable securities	588	209
Purchases of marketable securities	(1)	(209)
Proceeds from sale of other assets	55	13
Other	(38)	(48)
Net cash used in investing activities	(937)	(2,451)
Financing activities:		
Proceeds from debt, net	1,262	3,343
Repayment of debt	(1,060)	(1,956)
Payment of conversion premium on debt		(172)
Proceeds from stock issuance, net	2	20
Sale of noncontrolling interests	32	
Acquisition of noncontrolling interests	(13)	

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Dividends paid to noncontrolling interests	(2)	(3)
Dividends paid to common stockholders	(509)	(521)
Other	(4)	(2)
Net cash provided from financing activities	(292)	709
Effect of exchange rate changes on cash	(18)	1
Net change in cash and cash equivalents	(86)	(211)
Cash and cash equivalents at beginning of period	1,561	1,760
Cash and cash equivalents at end of period	\$ 1,475	\$ 1,549

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

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NEWMONT MINING CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited, in millions)

	At September 30, 2013	At December 31, 2012
ASSETS		
Cash and cash equivalents	\$ 1,475	\$ 1,561
Trade receivables	215	283
Accounts receivable	257	577
Investments (Note 16)	91	86
Inventories (Note 17)	793	796
Stockpiles and ore on leach pads (Note 18)	794	786
Deferred income tax assets	213	195
Other current assets (Note 19)	1,383	1,661
Current assets	5,221	5,945
Property, plant and mine development, net	16,322	18,010
Investments (Note 16)	540	1,446
Stockpiles and ore on leach pads (Note 18)	2,851	2,896
Deferred income tax assets	1,038	481
Other long-term assets (Note 19)	827	872
Total assets	\$ 26,799	\$ 29,650
LIABILITIES		
Debt (Note 20)	\$ 587	\$ 10
Accounts payable	545	657
Employee-related benefits	316	339
Income and mining taxes	98	51
Other current liabilities (Note 21)	1,712	2,084
Current liabilities	3,258	3,141
Debt (Note 20)	5,949	6,288
Reclamation and remediation liabilities (Note 4)	1,479	1,457
Deferred income tax liabilities	758	858
Employee-related benefits	384	586
Other long-term liabilities (Note 21)	429	372
Total liabilities	12,257	12,702
Commitments and contingencies (Note 26)		
EQUITY		
Common stock	789	787

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Additional paid-in capital	8,439	8,330
Accumulated other comprehensive income (loss)	(56)	490
Retained earnings	2,361	4,166
Newmont stockholders' equity	11,533	13,773
Noncontrolling interests	3,009	3,175
Total equity	14,542	16,948
Total liabilities and equity	\$ 26,799	\$ 29,650

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

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NEWMONT MINING CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

(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 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, 2012 filed February 22, 2013 on Form 10-K. The year-end balance sheet data was derived from the audited financial statements and, in accordance with the instructions to Form 10-Q, certain information and footnote disclosures required by United States generally accepted accounting principles (GAAP) have been condensed or omitted. References to A\$ refer to Australian currency, C\$ to Canadian currency and NZ\$ to New Zealand currency.

On March 12, 2013, Newmont completed the sale of the Hope Bay Project to TMAC Resources Inc. (TMAC). At September 30, 2013, Newmont held a 49.9% voting interest in TMAC and an economic interest of 70.4%. The Company has made available a \$15 credit facility due June 2014. Newmont has identified TMAC as a Variable Interest Entity (VIE) under FASB Accounting Standards Codification (ASC) Consolidation guidance. Based upon the ASC guidance for VIEs, and the ownership structure, Newmont has determined that it has a controlling financial interest in TMAC and is therefore the primary beneficiary. As such, Newmont consolidated TMAC in its consolidated financial statements. TMAC has indicated that they anticipate raising funds at an undetermined date through an initial public offering (IPO). Should such an IPO occur, which there can be no assurance of such offering occurring, it is expected that Newmont's ownership will be reduced and Newmont would reevaluate whether or not it is still required to consolidate under the applicable ASC guidance.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Recently Adopted Accounting Pronouncements

Reporting of Amounts reclassified out of Accumulated Other Comprehensive Income

In February 2013, ASC guidance was issued related to items reclassified from *Accumulated Other Comprehensive Income(Loss)*. The new standard requires either in a single note or parenthetically on the face of the financial statements: (i) the effect of significant amounts reclassified from each component of accumulated other comprehensive income based on its source and (ii) the income statement line items affected by the reclassification. Adoption of the new guidance, effective for the fiscal year beginning January 1, 2013, had no impact on the consolidated financial position, results of operations or cash flows.

Disclosures about Offsetting Assets and Liabilities

In November 2011, ASC guidance was issued related to disclosures about offsetting assets and liabilities. The new standard requires disclosures to allow investors to better compare financial statements prepared under U.S. GAAP with financial statements prepared under IFRS. In January 2013, an update was issued to further clarify that the

disclosure requirements are limited to derivatives, repurchase agreements, and securities lending transactions to the extent that they are (i) offset in the financial statements or (ii) subject to an enforceable master netting arrangement or similar agreement. Adoption of the new guidance, effective for the fiscal year beginning January 1, 2013, had no impact on the consolidated financial position, results of operations or cash flows.

Recently Issued Accounting Pronouncements

Presentation of an Unrecognized Tax Benefit

In July 2013, ASC guidance was issued related to the presentation of an unrecognized tax benefit when a net operating loss carryforward, a similar tax loss or a tax credit carryforward exists. The updated guidance requires an entity to net its unrecognized tax benefits against the deferred tax assets for all same jurisdiction net operating loss carryforward, a similar tax loss, or tax credit carryforwards. A gross presentation will be required only if such carryforwards are not available or would not be used by the entity to settle any additional income taxes resulting from disallowance of the uncertain tax position. The update is effective prospectively for the Company's fiscal year beginning January 1, 2014.

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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 is still evaluating the impact of the updated guidance on the consolidated financial position, results of operations or cash flows.

Foreign Currency Matters

In March 2013, ASC guidance was issued related to Foreign Currency Matters to clarify the treatment of cumulative translation adjustments when a parent sells a part or all of its investment in a foreign entity or no longer holds a controlling financial interest in a subsidiary or group of assets that is a business within a foreign entity. The updated guidance also resolves the diversity in practice for the treatment of business combinations achieved in stages in a foreign entity. The update is effective prospectively for the Company's fiscal year beginning January 1, 2014. The Company does not expect the updated guidance to have an impact on the consolidated financial position, results of operations or cash flows.

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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 SEGMENT INFORMATION

The Company's reportable segments are based upon the Company's management structure that is focused on the geographic region for the Company's operations. Segment results for 2012 have been retrospectively revised to reflect organizational changes that moved the Indonesia operations to a separately managed region and moved the Hope Bay segment to Corporate and Other. Geographic regions now include North America, South America, Australia/New Zealand, Indonesia, Africa and Corporate and Other. The financial information relating to the Company's segments is as follows:

	Sales	Costs Applicable to Sales	Amortization	Advanced Projects and Exploration	Pre-Tax Income (Loss)
Three Months Ended September 30, 2013					
Nevada	\$ 618	\$ 251	\$ 59	\$ 25	\$ 272
La Herradura	70	40	9	10	12
Other North America				1	(3)
North America	688	291	68	36	281
Yanacocha	346	154	87	9	55
Conga				15	(17)
Other South America				4	(4)
South America	346	154	87	28	34
Boddington:					
Gold	204	152	28		
Copper	42	29	5		
Total	246	181	33	1	20
Other Australia/New Zealand	357	202	60	7	93
Australia/New Zealand	603	383	93	8	113
Batu Hijau:					
Gold	16	11	3		
Copper	136	122	24		

Total	152	133	27	2	(13)
Other Indonesia					
Indonesia	152	133	27	2	(13)
Ahafo	194	75	19	12	80
Akyem				2	(3)
Other Africa				3	(20)
Africa	194	75	19	17	57
Corporate and Other			5	36	108
Consolidated	\$ 1,983	\$ 1,036	\$ 299	\$ 127	\$ 580

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)

	Sales	Costs Applicable to Sales	Amortization	Advanced Projects and Exploration	Pre-Tax Income (Loss)
Three Months Ended September 30, 2012					
Nevada	\$ 734	\$ 292	\$ 61	\$ 47	\$ 330
La Herradura	88	31	5	11	39
Other North America				1	(2)
North America	822	323	66	59	367
Yanacocha	585	185	83	14	254
Conga				9	(12)
Other South America				15	(10)
South America	585	185	83	38	232
Boddington:					
Gold	281	155	37		
Copper	60	39	7		
Total	341	194	44	2	98
Other Australia/New Zealand	358	201	34	23	83
Australia/New Zealand	699	395	78	25	181
Batu Hijau:					
Gold	24	17	2		
Copper	146	99	21		
Total	170	116	23	8	10
Other Indonesia					(1)
Indonesia	170	116	23	8	9
Ahafo	204	69	18	20	98
Akyem				6	(6)
Other Africa				3	(4)
Africa	204	69	18	29	88

Corporate and Other				4	30	(160)
Consolidated	\$ 2,480	\$ 1,088	\$ 272	\$ 189	\$ 717	

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

	Sales	Costs Applicable to Sales	Amortization	Advanced Projects and Exploration	Pre-Tax Income (Loss)	Total Assets	Capital Expenditures ⁽¹⁾
Nine Months Ended September 30, 2013							
Nevada	\$ 1,746	\$ 799	\$ 178	\$ 78	\$ 662	\$ 7,954	\$ 360
La Herradura	231	122	22	31	57	453	82
Other North America				2	(8)	68	1
North America	1,977	921	200	111	711	8,475	443
Yanacocha	1,221	509	254	32	337	2,958	136
Conga				16	(17)	1,714	184
Other South America				14	(16)	150	65
South America	1,221	509	254	62	304	4,822	385
Boddington:							
Gold	782	578	129				
Copper	156	139	29				
Total	938	717	158	1	(2,027)	2,265	81
Other Australia/New Zealand	1,081	697	164	31	11	1,788	123
Australia/New Zealand	2,019	1,414	322	32	(2,016)	4,053	204
Batu Hijau:							
Gold	42	81	18				
Copper	305	582	114				
Total	347	663	132	13	(494)	3,423	82
Other Indonesia					2	3	
Indonesia	347	663	132	13	(492)	3,426	82
Ahafo	589	226	56	36	255	1,615	139
Akyem				7	(10)	1,239	209
Other Africa				11	(31)	4	
Africa	589	226	56	54	214	2,858	348

Corporate and Other				17	88	(226)	3,165		7
Consolidated	\$ 6,153	\$ 3,733	\$ 981	\$ 360	\$ (1,505)	\$ 26,799	\$ 1,469		

- (1) Includes a decrease in accrued capital expenditures of \$59; consolidated capital expenditures on a cash basis were \$1,528.

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

	Sales	Costs Applicable to Sales	Amortization	Advanced Projects and Exploration	Pre-Tax Income (Loss)	Total Assets	Capital Expenditures ⁽¹⁾
Nine Months Ended September 30, 2012							
Nevada	\$ 2,028	\$ 817	\$ 161	\$ 124	\$ 916	\$ 7,420	\$ 489
La Herradura	274	96	16	28	130	388	50
Other North America				2	(6)	96	31
North America	2,302	913	177	154	1,040	7,904	570
Yanacocha	1,793	523	195	49	936	2,812	392
Conga				48	(51)	1,617	467
Other South America				59	(54)	82	54
South America	1,793	523	195	156	831	4,511	913
Boddington:							
Gold	843	449	118				
Copper	163	107	25				
Total	1,006	556	143	7	278	4,678	77
Other Australia/New Zealand	1,116	573	106	66	356	2,212	226
Australia/New Zealand	2,122	1,129	249	73	634	6,890	303
Batu Hijau:							
Gold	76	47	8				
Copper	406	254	51				
Total	482	301	59	22	42	3,662	98
Other Indonesia					2	5	
Indonesia	482	301	59	22	44	3,667	98
Ahafo	693	241	58	42	348	1,362	176
Akyem				15	(16)	876	305
Other Africa				8	(8)	6	
Africa	693	241	58	65	324	2,244	481

Corporate and Other				13	97	(563)	4,307		22
Consolidated	\$ 7,392	\$ 3,107	\$ 751	\$ 567	\$ 2,310	\$ 29,523	\$ 2,387		

- (1) Includes a decrease in accrued capital expenditures of \$7; consolidated capital expenditures on a cash basis were \$2,394.

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NEWMONT MINING CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

NOTE 4 RECLAMATION AND REMEDIATION

The Company's *Reclamation and remediation* expense consisted of:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Reclamation	\$ 3	\$	\$ 3	\$
Accretion operating	15	14	45	41
Accretion non-operating	2	3	8	8
	\$ 20	\$ 17	\$ 56	\$ 49

At September 30, 2013 and December 31, 2012, \$1,371 and \$1,341, respectively, were accrued for reclamation obligations relating to operating properties. 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, 2013 and December 31, 2012, \$181 and \$198, respectively, were accrued for such obligations. These amounts are also included in *Reclamation and remediation liabilities*.

The following is a reconciliation of *Reclamation and remediation liabilities*:

	Nine Months Ended September 30,	
	2013	2012
Balance at beginning of period	\$ 1,539	\$ 1,240
Additions, changes in estimates and other	1	106
Liabilities settled	(41)	(57)
Accretion expense	53	49
Balance at end of period	\$ 1,552	\$ 1,338

The current portion of *Reclamation and remediation liabilities* of \$73 and \$82 at September 30, 2013 and December 31, 2012, respectively, are included in *Other current liabilities* (see Note 21).

NOTE 5 WRITE-DOWNS

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2013	2012	2013	2012
Property, plant and mine development				
Yanacocha	\$ 2	\$	\$ 3	\$
Boddington			2,107	
Other Australia/New Zealand	1		67	
Batu Hijau			1	
	3		2,178	
Other long-term assets				
Boddington			31	
Other Australia/New Zealand			56	
			87	
	\$ 3	\$	\$ 2,265	\$

Write-downs totaled \$3 and \$2,265 for the three and nine months ended September 30, 2013, respectively. The 2013 write-downs were primarily due to a decrease in the Company's long-term gold and copper price assumptions during the second quarter to \$1,400 per ounce and \$3.00 per pound, respectively, combined with rising operating costs. These factors represented significant changes in the business, requiring the Company to evaluate for impairment. For purposes of this evaluation, estimates of future cash flows of the individual reporting units were used to determine fair value. The estimated cash flows were derived from life-of-mine plans, developed using long-term pricing reflective of the current price environment and management's projections for operating costs. Refer to Note 14 for additional information related to the fair value determination of the impairment.

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

Due to the above conditions, Goodwill was included in the Company's impairment analysis. After-tax discounted future cash flows of reporting units with Goodwill were analyzed. Goodwill at Other Australia / New Zealand had a carrying value of \$188 at December 31, 2012. As a result of this evaluation, the Company recorded an impairment of \$56, resulting in a carrying value of \$132 at September 30, 2013.

NOTE 6 OTHER EXPENSE, NET

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Transaction costs	\$	\$	\$ 45	\$ 12
Regional administration	12	22	48	72
Restructuring and other	20	48	50	48
Community development	42	18	72	69
Western Australia power plant	3	5	14	13
Hope Bay care and maintenance		27	(2)	129
Other	7	11	33	34
	\$ 84	\$ 131	\$ 260	\$ 377

NOTE 7 OTHER INCOME, NET

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Gain on sale of investments, net	\$ 280	\$	\$ 280	\$
Foreign currency exchange, net	19	(1)	56	(4)
Refinery income, net	20	20	27	27
Canadian Oil Sands		11	21	31
Interest	4	2	10	9
Development projects, net	1	16	9	49
Gain on asset sales, net	1	2	2	12
Reduction of allowance for loan receivable				21
Impairment of marketable securities	(41)	(7)	(52)	(39)
Other	6	9	13	15

\$ 290	\$ 52	\$ 366	\$ 121
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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

NOTE 8 INCOME AND MINING TAXES

During the third quarter of 2013, the Company recorded an estimated income and mining tax expense of \$154, resulting in an effective tax rate of 26%. Estimated income and mining tax expense during the third quarter of 2012 was \$228 for an effective tax rate of 32%. The lower effective tax rate on the income in the third quarter of 2013 is a result of tax planning related to the sale of the Canadian Oil Sands investment and the Canadian capital gains tax rate associated with the sale partially offset by a diluted benefit from percentage depletion.

During the first nine months of 2013, the estimated income and mining tax expense was \$10, resulting in an effective tax rate of less than 0%. Estimated income and mining tax expense during the first nine months of 2012 was \$746 for an effective tax rate of 32%. The lower effective tax rate on the loss in the first nine months of 2013 is primarily due to an increase in the Company's valuation allowance on certain deferred tax assets partially offset by the benefit related to tax planning on the sale of the Canadian Oil Sands investment and the Canadian capital gains tax rate associated with the sale.

A valuation allowance is provided for those deferred tax assets for which it is more likely than not that the related benefits will not be realized. In determining the amount of the valuation allowance, each quarter the Company considers estimated future taxable income as well as feasible tax planning strategies in each jurisdiction to determine if the deferred tax assets are realizable. If it is determined that the Company will not realize all or a portion of its deferred tax assets, it will place or increase a valuation allowance. Conversely, if determined that it will ultimately be able to realize all or a portion of the related benefits for which a valuation allowance has been provided, all or a portion of the related valuation allowance will be reduced.

The Company's income and mining tax expense differed from the amounts computed by applying the United States statutory corporate income tax rate for the following reasons:

	Three Months Ended				Nine Months Ended			
	September 30,		September 30,		September 30,		September 30,	
	2013	2012	2013	2012	2013	2012	2013	2012
<i>Income (loss) before income and mining tax and other items</i>	\$ 580	\$ 717	\$(1,505)	\$ 2,310				
Tax at statutory rate	35 % \$ 203	35 % \$ 251	35 % \$ (527)	35 % \$ 809				
Reconciling items:								
Percentage depletion	(1)% (6)	(7)% (53)	7 % (99)	(7)% (161)				
Change in valuation allowance on deferred tax assets	1 % 7	3 % 19	(47)% 698	3 % 65				
	(11)% (61)		4 % (61)					

Tax planning on sale of Canadian Oil
Sands and Canadian capital gains tax
rate

Other	2 %	11	1 %	11	%	(1)	1 %	33
<i>Income and mining tax expense (benefit)</i>	26 %	\$ 154	32 %	\$ 228	(1)%	\$ 10	32 %	\$ 746

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 pay the income 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.

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At September 30, 2013, the Company's total unrecognized tax benefit was \$376 for uncertain income tax positions taken or expected to be taken on income tax returns. Of this, \$33 represents the amount of unrecognized tax benefits that, if recognized, would affect the Company's effective income tax rate.

As a result of the statute of limitations that expire in the next 12 months in various jurisdictions, and possible settlements of audit-related issues with taxing authorities in various jurisdictions with respect to which none of the issues are individually significant, the Company believes that it is reasonably possible that the total amount of its net unrecognized income tax benefits will decrease by approximately \$5 to \$10 in the next 12 months.

NOTE 9 DISCONTINUED OPERATIONS

Discontinued operations include Holloway Mining Company, which owned the Holt-McDermott property (Holt property) that was sold to St. Andrew Goldfields Ltd. (St. Andrew) in 2006. In 2009, the Superior Court issued a decision finding Newmont Canada Corporation (Newmont Canada) liable for a sliding scale royalty on production from the Holt property, which was upheld in 2011 by the Ontario Court of Appeal. During the third quarter of 2013, the Company recorded a charge of \$21, net of tax benefits of \$10, related to an increase in the gold spot price at quarter end. The total recorded benefit for the first nine months of 2013, is \$53, net of tax expense of \$24, related to an overall decline in the gold spot price and an increase in discount rates. During the third quarter of 2012, the Company recorded an additional \$33 charge, net of tax benefits of \$2, to reflect higher gold prices offset by a decrease in future expected production at the Holt property due to new resource estimates published by St. Andrew. The total charges for the first nine months of 2012 were \$104, net of tax benefits of \$6.

Net operating cash used in discontinued operations of \$14 and \$12 in the first nine months of 2013 and 2012 respectively relates to payments on the Holt property royalty.

NOTE 10 NET INCOME (LOSS) ATTRIBUTABLE TO NONCONTROLLING INTERESTS

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2013	2012	2013	2012
Minera Yanacocha	\$ 6	\$ 73	\$ 89	\$ 268
TMAC	(3)		(17)	
Batu Hijau	(10)	3	(251)	11
Other	5	4	7	6
	\$ (2)	\$ 80	\$ (172)	\$ 285

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

Newmont has a 70.4% economic ownership interest in TMAC, with remaining interests held by various outside investors.

Newmont has a 48.5% effective economic interest in PT Newmont Nusa Tenggara (PTNNT) with remaining interests held by an affiliate of Sumitomo Corporation of Japan and various Indonesian entities. PTNNT operates the Batu Hijau copper and gold mine in Indonesia. Based on ASC guidance for variable interest entities, Newmont consolidates PTNNT in its Condensed Consolidated Financial Statements.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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NOTE 11 INCOME (LOSS) PER COMMON SHARE

Basic income (loss) per common share is computed by dividing income (loss) available to Newmont common stockholders by the weighted average number of common shares outstanding during the period. Diluted income (loss) per common share is computed similarly except that weighted average common shares is increased to reflect all dilutive instruments.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Net income (loss) attributable to Newmont stockholders				
Continuing operations	\$ 429	\$ 400	\$ (1,349)	\$ 1,240
Discontinued operations	(21)	(33)	53	(104)
	\$ 408	\$ 367	\$ (1,296)	\$ 1,136
Weighted average common shares (millions):				
Basic	498	496	497	496
Effect of employee stock-based awards		1		1
Effect of convertible notes		2		3
Diluted	498	499	497	500
Income (loss) per common share				
Basic:				
Continuing operations	\$ 0.86	\$ 0.81	\$ (2.72)	\$ 2.50
Discontinued operations	(0.04)	(0.07)	0.11	(0.21)
	\$ 0.82	\$ 0.74	\$ (2.61)	\$ 2.29
Diluted:				
Continuing operations	\$ 0.86	\$ 0.81	\$ (2.72)	\$ 2.48
Discontinued operations	(0.04)	(0.07)	0.11	(0.21)
	\$ 0.82	\$ 0.74	\$ (2.61)	\$ 2.27

Options to purchase 3 and 2 million shares of common stock at average exercise prices of \$48 and \$57 were outstanding at September 30, 2013 and 2012, respectively, but were not included in the computation of diluted

weighted average common shares because their exercise prices exceeded the average price of the Company's common stock for the respective periods presented.

Other outstanding options to purchase 1 million shares of common stock were not included in the computation of diluted weighted average common shares in the first nine months of 2013 because their effect would have been anti-dilutive.

Newmont is required to settle the principal amount of its 2014 and 2017 Convertible Senior Notes in cash and may elect to settle the remaining conversion premium (average share price in excess of the conversion price), if any, 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 ASC guidance. The conversion price exceeded the Company's share price for the third quarter and first nine months of 2013, therefore no additional shares were included in the computation of diluted weighted average common shares. During the third quarter and first nine months of 2012, the Company's share price exceeded the conversion price, resulting in additional shares included in the computation of diluted weighted average common shares.

In February 2012, the holders of the Company's 2012 Convertible Senior Notes exercised their election to convert the notes. The Company elected to pay the \$172 conversion premium with cash, and as a result no common shares were issued.

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NOTE 12 EMPLOYEE PENSION AND OTHER BENEFIT PLANS

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Pension benefit costs, net				
Service cost	\$ 9	\$ 7	\$ 27	\$ 22
Interest cost	11	10	31	31
Expected return on plan assets	(12)	(11)	(37)	(33)
Amortization, net	8	6	26	20
Settlements	5		5	
	\$ 21	\$ 12	\$ 52	\$ 40

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Other benefit costs, net				
Service cost	\$ 1	\$ 1	\$ 3	\$ 2
Interest cost	1	1	4	4
	\$ 2	\$ 2	\$ 7	\$ 6

In September 2013, the Company approved an amendment to the terms of its Salaried Pension and Pension Equalization Plans, effective beginning July 2014. The Company announced these changes in early October, and as a result, re-measured its pension liability at September 30, 2013. The discount rate used for purposes of the re-measurement was 5.25%. The re-measurement resulted in a decrease of the pension liability of \$165 (\$107, net of tax).

NOTE 13 STOCK BASED COMPENSATION

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Stock options	\$ 2	\$ 4	\$ 7	\$ 11

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Restricted stock units	8	8	24	19
Performance leveraged stock units	2	2	6	8
Strategic stock units	1	1	4	2
	\$ 13	\$ 15	\$ 41	\$ 40

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NOTE 14 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).

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, 2013			
	Total	Level 1	Level 2	Level 3
Assets:				
Cash equivalents	\$ 113	\$ 113	\$	\$
Marketable equity securities:				
Extractive industries	479	479		
Other	4	4		
Marketable debt securities:				
Asset backed commercial paper	22			22
Corporate	12		12	
Auction rate securities	4			4
Trade receivable from provisional copper and gold concentrate sales, net	122	122		
	\$ 756	\$ 718	\$ 12	\$ 26

Liabilities:

Derivative instruments, net:			
Foreign exchange forward contracts	\$ 80	\$	\$ 80
Diesel forward contracts	1		1
Boddington contingent consideration	28		28
Holt property royalty	149		149
	\$ 258	\$	\$ 81
			\$ 177

The fair values of the derivative instruments in the table above are presented on a net basis. The gross amounts related to the fair value of the derivatives instruments above are included in the *Derivatives Instruments* Note (see Note 15). All other Fair Value disclosures in the above table are presented on a gross basis.

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 securities are segregated based on industry. 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.

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The Company's marketable corporate debt securities are mainly comingled fund investments that are classified within Level 2 with the unit of account considered to be at the fund level.

The Company's marketable debt securities also include investments in auction rate securities and asset backed commercial paper. The Company reviews the fair value for auction rate securities and asset backed commercial paper on a quarterly basis. The auction rate securities are traded in markets that are not active, trade infrequently and have little price transparency. Therefore, the investments are classified as Level 3 of the fair value hierarchy. See table below which sets forth a summary of the quantitative and qualitative information related to the significant unobservable inputs used in the calculation of the fair value.

The Company's net trade receivable from provisional copper and gold concentrate sales, subject to final pricing, is valued using quoted market prices based on forward curves 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. 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.

The estimated value of the Boddington contingent royalty was determined using a Monte Carlo valuation model which simulates future gold and copper prices and costs applicable to sales. This contingent royalty is capped at \$100, and at June 30, 2012, the Company increased the accrual to the maximum of \$100. The Boddington contingent royalty is classified within Level 3 of the fair value hierarchy. See table below which sets forth a summary of the quantitative and qualitative information related to the significant unobservable inputs used in the calculation of the fair value.

The estimated fair value of the Holt sliding scale royalty was determined using a Monte Carlo valuation model. The sliding scale royalty liability is classified within Level 3 of the fair value hierarchy. See table below which sets forth a summary of the quantitative and qualitative information related to the significant unobservable inputs used in the calculation of the fair value.

The following table sets forth a summary of the quantitative and qualitative information related to the unobservable inputs used in the calculation of the Company's Level 3 financial assets and liabilities for the nine months ended September 30, 2013:

Description	At September 30, 2013	Valuation technique	Unobservable input	Range/Weighted average
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Auction Rate Securities	\$ 4	Discounted cash flow	Weighted average recoverability rate	58 %
Asset Backed Commercial Paper	22	Discounted cash flow	Recoverability rate	72-88%
Boddington Contingent Consideration	28	Monte Carlo	Discount rate	5 %
			Long Term Gold price	\$ 1,400
			Long Term Copper price	\$ 3.00
Holt property royalty	149	Monte Carlo	Weighted average discount rate	5 %
			Long Term Gold price	\$ 1,400

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The following table 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, 2013:

	Auction Rate Securities	Asset Backed Commercial Paper	Total Assets	Boddington Contingent Royalty	Holt Property Royalty	Total Liabilities
Balance at beginning of period	\$ 5	\$ 19	\$ 24	\$ 41	\$ 240	\$ 281
Unrealized loss	(1)		(1)			
Settlements				(13)	(15)	(28)
Revaluation		3	3		(76)	(76)
Balance at end of period	\$ 4	\$ 22	\$ 26	\$ 28	\$ 149	\$ 177

At September 30, 2013, assets and liabilities classified within Level 3 of the fair value hierarchy represent 3% and 69%, respectively, of total assets and liabilities measured at fair value.

During the second quarter of 2013, Newmont recorded write-downs related to *Property, plant and equipment, net*. (See Note 5). The estimated fair values of *Property, plant and mine development, net*, *Goodwill* and *Intangible* assets used in determining the second quarter impairment followed the discounted cash flow approach. The discounted cash flow model used significant unobservable inputs and is, therefore, considered within Level 3 of the fair value hierarchy.

The following table sets forth a summary of the quantitative and qualitative information related to the unobservable inputs used in the calculation of the Company's nonrecurring Level 3 financial assets:

Description	Valuation technique	Unobservable input	Range/Weighted average
Property, plant and mine development, net	Discounted cash flow	Discount rate	4.25 %
		Long Term Gold price	\$ 1,400
		Long Term Copper price	\$ 3.00
		Long Term Exchange rate A\$/US\$	0.935
Goodwill and Intangible assets	Discounted cash flow	Discount rate	3.75-4.25%

Long Term Gold price	\$	1,400
Long Term Copper price	\$	3.00
Long Term Exchange rate A\$/US\$		0.935

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NOTE 15 DERIVATIVE INSTRUMENTS

The Company's strategy is to provide shareholders with leverage to changes in gold and copper prices by selling its production at spot market prices. Consequently, the Company does not hedge its gold and copper sales. The Company continues to manage certain risks associated with commodity input costs, interest rates and foreign currencies using the derivative market. All of the derivative instruments described below were transacted for risk management purposes and qualify as cash flow hedges.

Cash Flow Hedges

The foreign currency, diesel and forward starting swap contracts are 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 reclassified to earnings during the period in which the hedged transaction affects earnings. Gains and losses from hedge ineffectiveness are recognized in current earnings.

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 exchange rates. Newmont hedges a portion of the Company's A\$ and NZ\$ denominated operating expenditures which results in a blended rate realized each period. The hedging instruments are fixed forward contracts with expiration dates ranging up to five years from the date of issue. The principal hedging objective is reduction in the volatility of realized period-on-period \$/A\$ and \$/NZ\$ rates, respectively.

Newmont had the following foreign currency derivative contracts outstanding at September 30, 2013:

	Expected Maturity Date						Total/ Average
	2013	2014	2015	2016	2017	2018	
A\$ Operating Fixed Forward Contracts:							
A\$ notional (millions)	323	1,118	848	564	273	44	3,170
Average rate (\$/A\$)	0.95	0.93	0.92	0.92	0.91	0.89	0.93
Expected hedge ratio	87%	71%	55%	37%	18%	7%	
NZ\$ Operating Fixed Forward Contracts:							
NZ\$ notional (millions)	22	59	14				95
Average rate (\$/NZ\$)	0.80	0.80	0.77				0.80
Expected hedge ratio	73%	54%	16%				

In order to reduce derivative exposure to a lower Australian dollar, in October 2013 the Company began closing out certain foreign currency contracts. As of October 25, 2013 the Company settled approximately A\$2,100 in notional

contracts for a net gain of approximately \$46. These gains will be held in Other Comprehensive Income (OCI) as the hedged transactions, A\$ denominated operating costs, are still probable of occurring over the original time period. The amount deferred in OCI will be recognized in earnings over a period of five years as the original hedge transactions occur. From time to time and depending upon business considerations and market conditions, the Company may consider closing out additional Australian dollar hedging contracts, or conversely, may enter into new Australian dollar hedging contracts.

Diesel Fixed Forward Contracts

Newmont hedges a portion of its operating cost exposure related to diesel 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 up to three years.

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Newmont had the following diesel derivative contracts outstanding at September 30, 2013:

	Expected Maturity Date				Total/ Average
	2013	2014	2015	2016	
Diesel Fixed Forward Contracts:					
Diesel gallons (millions)	7	24	13	3	47
Average rate (\$/gallon)	2.90	2.87	2.77	2.69	2.84
Expected hedge ratio	70%	62%	33%	10%	
<i>Forward Starting Swap Contracts</i>					

During 2011, Newmont entered into forward starting interest rate swap contracts with a total notional value of \$2,000. These contracts hedged movements in treasury rates related to a debt issuance that occurred in the first quarter of 2012. On March 8, 2012, Newmont closed its sale of \$2,500 senior notes consisting of 3.5% senior notes due 2022 in the principal amount of \$1,500 (10-year notes), and 4.875% senior notes due 2042 in the principal amount of \$1,000 (30-year notes). As a result, the forward-starting interest rate swaps were settled for \$362, of which \$349 represented the effective portion of the hedging instrument included in *Accumulated other comprehensive income (loss)*. The net proceeds from the debt issuance were adjusted by the settlement amount of the swap contracts and included as a financing activity in the Condensed Consolidated Statements of Cash Flow.

Derivative Instrument Fair Values

Newmont had the following derivative instruments designated as hedges at September 30, 2013 and December 31, 2012:

	Fair Value			
	At September 30, 2013			
	Other Current Assets	Other Long- Term Assets	Other Current Liabilities	Other Long- Term Liabilities
Foreign currency exchange contracts:				
A\$ operating fixed forwards	\$ 26	\$ 18	\$ 42	\$ 84
NZ\$ operating fixed forwards	2			
Diesel fixed forwards	1		1	1

Total derivative instruments (Notes 19 and 21)	\$ 29	\$ 18	\$ 43	\$ 85
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	Fair Value			
	At December 31, 2012			
	Other Current Assets	Other Long- Term Assets	Other Current Liabilities	Other Long- Term Liabilities
Foreign currency exchange contracts:				
A\$ operating fixed forwards	\$ 108	143		1
NZ\$ operating fixed forwards	2			
Diesel fixed forwards	2	1	1	1
Total derivative instruments (Notes 19 and 21)	\$ 112	\$ 144	\$ 1	\$ 2

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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 hedges.

	Foreign Currency Exchange Contracts		Diesel Forward Contracts		Forward Starting Swap Contracts	
	2013	2012	2013	2012	2013	2012
For the three months ended September 30,						
Cash flow hedging relationships:						
Gain recognized in other comprehensive income (loss) (effective portion)	\$ 77	\$ 70	\$ 3	\$ 14	\$	\$
Gain (loss) reclassified from Accumulated other comprehensive income into income (loss) (effective portion) ⁽¹⁾	8	40	1	2	(5)	(3)
For the nine months ended September 30,						
Cash flow hedging relationships:						
Gain (loss) recognized in other comprehensive income (loss) (effective portion)	\$ (291)	\$ 156	\$ (1)	\$ 10	\$	\$ 36
Gain (loss) reclassified from Accumulated other comprehensive income into income (loss) (effective portion) ⁽¹⁾	68	125	1	6	(14)	(7)
Gain reclassified from Accumulated other comprehensive income into income (loss) (ineffective portion) ⁽²⁾						2

⁽¹⁾ The gain (loss) recognized for the effective portion of cash flow hedges is included in *Cost Applicable to Sales*, *Write-downs* and *Interest expense, net*.

⁽²⁾ The ineffective portion recognized for cash flow hedges is included in *Other income, 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 loss of approximately \$22.

Provisional Copper and Gold Sales

The Company's provisional copper and gold sales contain an embedded derivative that is required to be separated from the host contract for accounting purposes. The host contract is the receivable from the sale of the gold and copper concentrates at the prevailing indices prices at the time of sale. The embedded derivative, which does not qualify for hedge accounting, is marked to market through earnings each period prior to final settlement.

London Metal Exchange (LME) copper prices averaged \$3.21 per pound during the three months ended September 30, 2013, compared with the Company's recorded average provisional price of \$3.16 per pound before mark-to-market adjustments and treatment and refining charges. LME copper prices averaged \$3.35 per pound during the nine months ended September 30, 2013, compared with the Company's recorded average provisional price of \$3.30 per pound before mark-to-market adjustments and treatment and refining charges. During the three and nine months ended September 30, 2013, changes in copper prices resulted in a provisional pricing mark-to-market gains of \$14 (\$0.25 per pound) and loss of \$10 (\$0.06 per pound), respectively. At September 30, 2013, Newmont had copper sales of 59 million pounds priced at an average of \$3.31 per pound, subject to final pricing over the next several months.

The average London P.M. fix for gold was \$1,326 per ounce during the three months ended September 30, 2013, compared with the Company's recorded average provisional price of \$1,330 per ounce before mark-to-market adjustments and treatment and refining charges. The average London P.M. fix for gold was \$1,456 per ounce during the nine months ended September 30, 2013, compared to the Company's recorded average provisional price of \$1,452 per ounce before mark-to-market adjustments and treatment and refining charges. During the three and nine months ended September 30, 2013, changes in gold prices resulted in a provisional pricing mark-to-market gains of \$9 (\$6 per ounce) and loss of \$13 (\$3 per ounce), respectively. At September 30, 2013, Newmont had gold sales of 50,000 ounces priced at an average of \$1,327 per ounce, subject to final pricing over the next several months.

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

NOTE 16 INVESTMENTS

	At September 30, 2013			
	Cost/Equity Basis	Unrealized Gain	Loss	Fair/Equity Basis
Current:				
Marketable Equity Securities:				
Gabriel Resources Ltd.	75		(33)	42
Paladin Energy Ltd.	24			24
Other	25	4	(4)	25
	\$ 124	\$ 4	\$ (37)	\$ 91
Long-term:				
Marketable Debt Securities:				
Asset backed commercial paper	\$ 23		\$ (1)	\$ 22
Auction rate securities	7		(3)	4
Corporate	13		(1)	12
	43		(5)	38
Marketable Equity Securities:				
Regis Resources Ltd.	166	198		364
Other	30	2	(4)	28
	196	200	(4)	392
Other investments, at cost	13			13
Investment in Affiliates:				
Minera La Zanja S.R.L.	81			81
Novo Resources Corp.	16			16
	\$ 349	\$ 200	\$ (9)	\$ 540

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, 2012			
	Cost/Equity Basis	Unrealized Gain	Loss	Fair/Equity Basis
Current:				
Marketable Equity Securities:				
Paladin Energy Ltd.	\$ 60	\$	\$ (3)	\$ 57
Other	17	14	(2)	29
	\$ 77	\$ 14	\$ (5)	\$ 86
Long-term:				
Marketable Debt Securities:				
Asset backed commercial paper	\$ 25	\$	\$ (6)	\$ 19
Auction rate securities	7		(2)	5
Corporate	14			14
	46		(8)	38
Marketable Equity Securities:				
Canadian Oil Sands Ltd.	310	318		628
Gabriel Resources Ltd.	78	42		120
Regis Resources Ltd.	166	352		518
Other	51	14		65
	605	726		1,331
Other investments, at cost	12			12
Investment in Affiliates:				
Minera La Zanja S.R.L.	65			65
	\$ 728	\$ 726	\$ (8)	\$ 1,446

In September 2013, the Company purchased a 35.7% share of Novo Resources Corporation (Novo) for approximately \$16. Novo owns a majority of the Beaton s Creek discovery with Millennium Minerals in the Pilbara region of Western Australia. The Company accounts for this ownership interest as an equity method investment.

On July 8, 2013, the Company sold its investment in Canadian Oil Sands Limited for \$587, resulting in a pretax gain of \$280 recorded in *Other income, net*.

During the three and nine months ended September 30, 2013, the Company recognized impairments for other-than-temporary declines in value of \$41 and \$52, respectively, for marketable equity securities, including \$36 in the three and nine months related to its holdings of Paladin Energy, Ltd. During the three and nine months ended September 30, 2012, the Company recognized impairments for other-than-temporary declines in value of \$7 and \$39 for marketable equity securities.

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:

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)

	Less than 12 Months Unrealized		12 Months or Greater Unrealized		Total Unrealized	
	Fair Value	Losses	Fair Value	Losses	Fair Value	Losses
At September 30, 2013						
Marketable equity securities	\$ 73	\$ 41	\$	\$	\$ 73	\$ 41
Asset backed commercial paper			22	1	22	1
Auction rate securities			4	3	4	3
Corporate debt securities	12	1			12	1
	\$ 85	\$ 42	\$ 26	\$ 4	\$ 111	\$ 46

	Less than 12 Months		12 Months or Greater		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
At December 31, 2012						
Marketable equity securities	\$ 79	\$ 5	\$	\$	\$ 79	\$ 5
Asset backed commercial paper			19	6	19	6
Auction rate securities			5	2	5	2
	\$ 79	\$ 5	\$ 24	\$ 8	\$ 103	\$ 13

While the fair values of the Company's investments in asset backed commercial paper and auction rate securities are below their respective cost, the Company views these declines as temporary. 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 17 INVENTORIES

	At September 30, 2013	At December 31, 2012
In-process	\$ 102	\$ 143
Concentrate	140	152
Precious metals	34	31
Materials, supplies and other	517	470
	\$ 793	\$ 796

The Company recorded write-downs of \$13 and \$3, classified as components of *Costs applicable to sales* and *Amortization*, respectively, for the first nine months of 2013, to reduce the carrying value of inventories to net realizable value. Of the write-downs in 2013, \$1 is related to Nevada, \$7 to Boddington, \$1 to Other Australia/New Zealand and \$7 to Batu Hijau.

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NEWMONT MINING CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

NOTE 18 STOCKPILES AND ORE ON LEACH PADS

	At September 30, 2013	At December 31, 2012
Current:		
Stockpiles	\$ 544	\$ 602
Ore on leach pads	250	184
	\$ 794	\$ 786
Long-term:		
Stockpiles	\$ 2,602	\$ 2,514
Ore on leach pads	249	382
	\$ 2,851	\$ 2,896
	At September 30, 2013	At December 31, 2012
Stockpiles and ore on leach pads:		
Nevada	\$ 897	\$ 699
La Herradura	70	57
Yanacocha	520	498
Boddington	375	474
Batu Hijau	1,368	1,543
Other Australia/New Zealand	125	173
Ahafo	274	235
Akyem	16	3
	\$ 3,645	\$ 3,682

The Company recorded write-downs of \$611 and \$146, classified as components of *Costs applicable to sales and Amortization*, respectively, for the first nine months of 2013 to reduce the carrying value of stockpiles and ore on leach pads to net realizable value. The Company recorded write-downs of \$27 for the first nine months of 2012. Of the write-downs in 2013, \$4 are related to Nevada, \$104 to Yanacocha, \$133 to Boddington, \$462 to Batu Hijau, and \$54 to Other Australia/New Zealand. Of the write-downs in 2012, \$4 relate to Yanacocha and \$23 to Other Australia/New Zealand.

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NEWMONT MINING CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

NOTE 19 OTHER ASSETS

	At September 30, 2013	At December 31, 2012
Other current assets:		
Refinery metal inventory and receivable	\$ 1,009	\$ 1,183
Prepaid assets	232	213
Derivative instruments	29	112
Restricted cash		12
Other	113	141
	\$ 1,383	\$ 1,661
Other long-term assets:		
Income tax receivable	\$ 219	\$ 76
Goodwill	132	188
Intangible assets	101	136
Restricted cash	95	90
Prepaid royalties	80	78
Debt issuance costs	65	73
Prepaid maintenance costs	31	17
Derivative instruments	18	144
Other	86	70
	\$ 827	\$ 872

NOTE 20 DEBT

	At September 30, 2013		At December 31, 2012	
	Current	Non-Current	Current	Non-Current
2014 Convertible Senior Notes, net	\$ 554	\$	\$	\$ 535
2017 Convertible Senior Notes, net		486		471
2019 Senior Notes, net		897		897
2022 Senior Notes, net		1,490		1,489
2035 Senior Notes, net		598		598

2039 Senior Notes, net		1,088		1,087
2042 Senior Notes, net		992		992
Ahafo project finance facility	10	30	10	35
PTNNT revolving credit facility		365		180
Other	23	3		4
	\$ 587	\$ 5,949	\$ 10	\$ 6,288

Scheduled minimum debt repayments are \$27 for the remainder of 2013, \$565 in 2014, \$11 in 2015, \$11 in 2016, \$857 in 2017 and \$5,065 thereafter.

Corporate Letter of Credit Facility

In September 2013, the Company entered into a Letter of Credit Facility Agreement (LC Agreement) with BNP Paribas, New York Branch. The LC Agreement establishes a \$175 letter of credit facility for a three year period to support reclamation obligations. Under the LC Agreement, the Company transferred \$153 of letters of credit from the Corporate Revolving Credit Facility to the LC Agreement.

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NEWMONT MINING CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

NOTE 21 OTHER LIABILITIES

	At September 30, 2013	At December 31, 2012
Other current liabilities:		
Refinery metal payable	\$ 1,009	\$ 1,183
Accrued operating costs	213	336
Accrued capital expenditures	115	172
Interest	82	74
Reclamation and remediation liabilities	73	82
Deferred income tax	66	65
Derivative instruments	43	1
Royalties	34	42
Holt property royalty	16	21
Boddington contingent consideration		26
Taxes other than income and mining	7	14
Other	54	68
	\$ 1,712	\$ 2,084
Other long-term liabilities:		
Holt property royalty	\$ 133	\$ 219
Derivative instruments	85	2
Income and mining taxes	72	65
Power supply agreements	41	46
Boddington contingent consideration	28	15
Deferred income tax from discontinued operations	24	
Other	46	25
	\$ 429	\$ 372

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NEWMONT MINING CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

NOTE 22 CHANGES IN EQUITY

	Nine Months Ended September 30,	
	2013	2012
Common stock:		
At beginning of period	\$ 787	\$ 784
Stock based awards	2	2
At end of period	789	786
Additional paid-in capital:		
At beginning of period	8,330	8,408
Conversion premium on convertible notes		(172)
Stock based awards	61	71
Sale of noncontrolling interests	48	
At end of period	8,439	8,307
Accumulated other comprehensive income (loss):		
At beginning of period	490	652
Other comprehensive income (loss)	(546)	(57)
At end of period	(56)	595
Retained earnings:		
At beginning of period	4,166	3,052
Net income (loss) attributable to Newmont stockholders	(1,296)	1,136
Dividends paid	(509)	(521)
At end of period	2,361	3,667
Noncontrolling interests:		
At beginning of period	3,175	2,875
Net income (loss) attributable to noncontrolling interests	(172)	285
Dividends paid to noncontrolling interests	(2)	
Sale of noncontrolling interests, net	7	
Other comprehensive income	1	1

At end of period	3,009	3,161
Total equity	\$ 14,542	\$ 16,516

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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 RECLASSIFICATIONS OUT OF ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

	Unrealized gain on marketable securities, net	Foreign currency translation adjustments	Pension and other post- retirement benefit adjustments	Changes in fair value of cash flow hedge instruments	Total
December 31, 2012	\$ 542	\$ 177	\$ (276)	\$ 47	\$ 490
Change in other comprehensive income (loss) before reclassifications	(219)	(29)	107	(189)	(330)
Reclassifications from accumulated other comprehensive income (loss)	(194)		17	(39)	(216)
Net current-period other comprehensive income (loss)	(413)	(29)	124	(228)	(546)
September 30, 2013	\$ 129	\$ 148	\$ (152)	\$ (181)	\$ (56)

Details about Accumulated Other Comprehensive Income (Loss) Components	Amount Reclassified from Accumulated Other Comprehensive Income (Loss)		Affected Line Item in the Condensed Consolidated Statement of Income (Loss)
	Three Months Ended September 30, 2013	Nine Months Ended September 30, 2013	
Marketable securities adjustments:			
Sale of marketable securities	\$ (280)	\$ (280)	Other income, net
Impairment of marketable securities	41	52	Other income, net

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Total before tax	(239)	(228)	
Tax benefit (expense)	37	34	
Net of tax	\$ (202)	\$ (194)	
Pension liability adjustments:			
Amortization, net	\$ 8	\$ 26(1)	
Total before tax	8	26	
Tax (expense) benefit	(3)	(9)	
Net of tax	\$ 5	\$ 17	
Hedge instruments adjustments:			
Operating cash flow hedges	\$ (9)	\$ (88)	Costs applicable to sales
Capital cash flow hedges		1	Amortization
Capital cash flow hedges		18	Write-downs
Forward starting swap hedges	5	14	Interest expense, net
Total before tax	(4)	(55)	
Tax benefit (expense)		16	
Net of tax	\$ (4)	\$ (39)	
Total reclassifications for the period, net of tax	\$ (201)	\$ (216)	

- (1) This accumulated other comprehensive income (loss) component is included in *General and administrative* and costs that benefit the inventory/production process. Refer to Note 2 in the Newmont Annual Report on Form 10-K for the year ended December 31, 2012 for information on costs that benefit the inventory/production process.

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NEWMONT MINING CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

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,	
	2013	2012
Decrease (increase) in operating assets:		
Trade and accounts receivable	\$ 255	\$ (7)
Inventories, stockpiles and ore on leach pads	(609)	(603)
EGR refinery assets	166	177
Other assets	(52)	(81)
Decrease in operating liabilities:		
Accounts payable and other accrued liabilities	(111)	(291)
EGR refinery liabilities	(166)	(177)
Reclamation liabilities	(41)	(57)
	\$ (558)	\$ (1,039)

NOTE 25 CONDENSED CONSOLIDATING FINANCIAL STATEMENTS

The following Condensed Consolidating Financial Statements are presented to satisfy disclosure requirements of Rule 3-10(e) of Regulation S-X resulting from the inclusion of Newmont USA Limited (Newmont USA), a wholly-owned subsidiary of Newmont, as a co-registrant with Newmont on debt securities issued under a shelf registration statement on Form S-3 filed under the Securities Act of 1933 under which securities of Newmont (including debt securities guaranteed by Newmont USA) may be issued (the Shelf Registration Statement). In accordance with Rule 3-10(e) of Regulation S-X, Newmont USA, as the subsidiary guarantor, is 100% owned by Newmont, the guarantees are full and unconditional, and no other subsidiary of Newmont guaranteed any security issued under the Shelf Registration Statement. There are no restrictions on the ability of Newmont or Newmont USA to obtain funds from its subsidiaries by dividend or loan.

At December 31, 2012, errors were identified in the previously reported condensed consolidating financial statements resulting from incorrectly applying the provisions of Rule 3-10(e) of Regulation S-X related to the presentation of the financial information of its subsidiary guarantor, Newmont USA. In the previously reported information, the Company presented Newmont USA on a consolidated basis with its non-guarantor subsidiaries and under Rule 3-10 of Regulation S-X Newmont USA should have presented its investment in subsidiaries based upon its proportionate share of its non-guarantor subsidiaries' net assets (similar to the equity method of accounting). In addition, the

Company corrected the Newmont Mining Corporation column for investments in subsidiaries previously presented in the Eliminations column. The tables following the revised condensed consolidating financial statements illustrate the effects of the errors, which relate to the columns for Newmont Mining Corporation, Newmont USA, Other Subsidiaries and Eliminations, on previously reported condensed consolidating financial information for the three and nine months ended September 30, 2012.

The errors to the Newmont USA column for the incorrect presentation resulted in no change in previously reported line items for net income attributable to Newmont and stockholders' equity. It did however have a significant impact on the previously reported cash balance, and cash flow from operations, investing and financing activities of Newmont USA as a result of the deconsolidation of its subsidiaries and the one line proportionate accounting pick up. Further, the Other Subsidiaries column changed by corresponding adjustments and to give effect to intercompany balances to include the non-guarantor subsidiaries of Newmont USA and the Eliminations column changes as a result of the above changes. In addition, the Company corrected an error in the Newmont Mining Corporation column related to stockholders' equity and investment in subsidiaries. This was a result of a gain associated with a partial sale of a subsidiary that was previously included in the Eliminations column. The cash flow statement in the Newmont Mining Corporation column was revised to reflect earnings from subsidiaries, net of dividends received.

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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 concluded these errors were not material individually or in the aggregate to any of the previously issued financial statements taken as a whole. These errors had no impact on the consolidated financial statements of Newmont or any debt covenants and had no impact on the ability of Newmont's subsidiaries to dividend cash to Newmont. The impact of these corrections to the applicable prior year period is reflected in the revised financial information and notes below.

In addition to the above, in April of the current year the Company merged one of its subsidiaries into Newmont USA. As a result of this merger, the prior periods presented have been revised to reflect this change as if the transaction had occurred at the beginning of the earliest period presented in accordance with the accounting guidance for business combinations between entities under common control.

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

Three Months Ended September 30, 2013

Condensed Consolidating Statement of Income	Newmont Mining Corporation USA Other Subsidiaries Eliminations				Newmont Mining Corporation Consolidated
	Corporation	USA	Other Subsidiaries	Eliminations	Consolidated
Sales	\$	\$ 587	\$ 1,396	\$	\$ 1,983
Costs and expenses					
Costs applicable to sales ⁽¹⁾		229	807		1,036
Amortization		50	249		299
Reclamation and remediation		2	18		20
Exploration		10	50		60
Advanced projects, research and development		14	53		67
General and administrative		23	25		48
Write-downs			3		3
Other expense, net		21	63		84
		349	1,268		1,617
Other income (expense)					
Other income, net	(12)	2	300		290
Interest income intercompany	31	7	6	(44)	
Interest expense intercompany	(2)		(42)	44	
Interest expense, net	(78)	(1)	3		(76)
	(61)	8	267		214
Income (loss) before income and mining tax and other items	(61)	246	395		580
Income and mining tax benefit (expense)	21	(46)	(129)		(154)
Equity income (loss) of affiliates	448	(92)	20	(375)	1
Income (loss) from continuing operations	408	108	286	(375)	427
Income (loss) from discontinued operations			(21)		(21)
Net income (loss)	408	108	265	(375)	406
Net loss (income) attributable to noncontrolling interests			(4)	6	2
Net income (loss) attributable to Newmont stockholders	\$ 408	\$ 108	\$ 261	\$ (369)	\$ 408
Comprehensive income (loss)	\$ 423	\$ 218	\$ 173	\$ (391)	\$ 423

Comprehensive loss (income) attributable to noncontrolling interests				(5)		5
Comprehensive income (loss) attributable to Newmont stockholders	\$ 423	\$ 218	\$ 168	\$ (386)	\$	423

(1) Excludes *Amortization and Reclamation and remediation*.

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, 2012

Condensed Consolidating Statement of Income	Newmont Mining Corporation				Newmont Mining Corporation
	USA	Other Subsidiaries	Eliminations	Consolidated	
Sales	\$ 681	\$ 1,799	\$	\$ 2,480	
Costs and expenses					
Costs applicable to sales ⁽¹⁾	245	843		1,088	
Amortization	53	219		272	
Reclamation and remediation	3	14		17	
Exploration	31	84		115	
Advanced projects, research and development	11	63		74	
General and administrative	40	11		51	
Other expense, net	19	112		131	
	402	1,346		1,748	
Other income (expense)					
Other income, net	11	41		52	
Interest income intercompany	46	10	(6)	(50)	
Interest expense intercompany	(3)		(47)	50	
Interest expense, net	(67)	(3)	3	(67)	
	(24)	18	(9)	(15)	
Income (loss) before income and mining tax and other items	(24)	297	444	717	
Income and mining tax benefit (expense)	8	(82)	(154)	(228)	
Equity income (loss) of affiliates	383	(8)	40	(424)	
				(9)	
Income (loss) from continuing operations	367	207	330	(424)	
Income (loss) from discontinued operations			(33)	(33)	
Net income (loss)	367	207	297	(424)	
Net loss (income) attributable to noncontrolling interests			(103)	23	
				(80)	
Net income (loss) attributable to Newmont stockholders	\$ 367	\$ 207	\$ 194	\$ (401)	
				\$ 367	
Comprehensive income (loss)	\$ 601	\$ 224	\$ 576	\$ (719)	
			(104)	23	
				(81)	

Comprehensive loss (income) attributable to
noncontrolling interests

Comprehensive income (loss) attributable to Newmont stockholders	\$ 601	\$ 224	\$ 472	\$ (696)	\$ 601
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(1) Excludes *Amortization and Reclamation and remediation*.

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, 2013

Condensed Consolidating Statement of Income	Newmont Mining Corporation	Newmont USA	Other Subsidiaries	Elimination	Newmont Mining Corporation Consolidated
Sales	\$	\$ 1,635	\$ 4,518	\$	\$ 6,153
Costs and expenses					
Costs applicable to sales ⁽¹⁾		725	3,008		3,733
Amortization		146	835		981
Reclamation and remediation		6	50		56
Exploration		38	157		195
Advanced projects, research and development		37	128		165
General and administrative		77	81		158
Write-downs			2,265		2,265
Other expense, net		51	209		260
		1,080	6,733		7,813
Other income (expense)					
Other income, net	(10)	11	365		366
Interest income intercompany	113	22	16	(151)	
Interest expense intercompany	(8)		(143)	151	
Interest expense, net	(211)	(7)	7		(211)
	(116)	26	245		155
Income (loss) before income and mining tax and other items	(116)	581	(1,970)		(1,505)
Income and mining tax benefit (expense)	40	(167)	117		(10)
Equity income (loss) of affiliates	(1,220)	(439)	(100)	1,753	(6)
Income (loss) from continuing operations	(1,296)	(25)	(1,953)	1,753	(1,521)
Income (loss) from discontinued operations			53		53
Net income (loss)	(1,296)	(25)	(1,900)	1,753	(1,468)
Net loss (income) attributable to noncontrolling interests			252	(80)	172
Net income (loss) attributable to Newmont stockholders	\$ (1,296)	\$ (25)	\$ (1,648)	\$ 1,673	\$ (1,296)
Comprehensive income (loss)	\$ (1,842)	\$ 77	\$ (2,649)	\$ 2,401	\$ (2,013)

Comprehensive loss (income) attributable to noncontrolling interests			252	(81)	171
Comprehensive income (loss) attributable to Newmont stockholders	\$ (1,842)	\$ 77	\$ (2,397)	\$ 2,320	\$ (1,842)

(1) Excludes *Amortization and Reclamation and remediation*.

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

Nine Months Ended September 30, 2012

Condensed Consolidating Statement of Income	Newmont Mining Corporation	Newmont USA	Other Subsidiaries	Elimination	Newmont Mining Corporation Consolidated
Sales	\$	\$ 1,867	\$ 5,525	\$	\$ 7,392
Costs and expenses					
Costs applicable to sales ⁽¹⁾		745	2,362		3,107
Amortization		134	617		751
Reclamation and remediation		8	41		49
Exploration		74	235		309
Advanced projects, research and development		33	225		258
General and administrative		105	57		162
Other expense, net		36	341		377
		1,135	3,878		5,013
Other income (expense)					
Other income, net		2	23	96	121
Interest income intercompany		125	24	(6)	(143)
Interest expense intercompany		(11)		(132)	143
Interest expense, net		(186)	(6)	2	(190)
		(70)	41	(40)	(69)
Income (loss) before income and mining tax and other items		(70)	773	1,607	2,310
Income and mining tax benefit (expense)		24	(210)	(560)	(746)
Equity income (loss) of affiliates		1,182	362	157	(1,740)
				(39)	
Income (loss) from continuing operations		1,136	925	1,204	(1,740)
Income (loss) from discontinued operations				(104)	(104)
Net income (loss)		1,136	925	1,100	(1,740)
Net loss (income) attributable to noncontrolling interests				(373)	88
					(285)
Net income (loss) attributable to Newmont stockholders	\$ 1,136	\$ 925	\$ 727	\$ (1,652)	\$ 1,136
Comprehensive income (loss)	\$ 1,079	\$ 915	\$ 1,082	\$ (1,711)	\$ 1,365
			(374)	88	(286)

Comprehensive loss (income) attributable to
noncontrolling interests

Comprehensive income (loss) attributable to Newmont stockholders	\$ 1,079	\$ 915	\$ 708	\$ (1,623)	\$ 1,079
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(1) Excludes *Amortization and Reclamation and remediation*.

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)

Condensed Consolidating Statement of Cash Flows	Nine Months Ended September 30, 2013				Newmont Mining Corporation Consolidated
	Newmont Mining Corporation	Newmont USA	Other Subsidiaries	Elimination	
Operating activities:					
Net income (loss)	\$ (1,296)	\$ (25)	\$ (1,900)	\$ 1,753	\$ (1,468)
Adjustments	1,306	819	2,834	(1,758)	3,201
Net change in operating assets and liabilities	(12)	(331)	(215)		(558)
Net cash provided from (used in) continuing operations	(2)	463	719	(5)	1,175
Net cash used in discontinued operations			(14)		(14)
Net cash provided from (used in) operations	(2)	463	705	(5)	1,161
Investing activities:					
Additions to property, plant and mine development		(330)	(1,198)		(1,528)
Acquisitions, net			(13)		(13)
Sale of marketable securities			588		588
Purchases of marketable securities			(1)		(1)
Proceeds from sale of other assets			55		55
Other			(38)		(38)
Net cash used in investing activities		(330)	(607)		(937)
Financing activities:					
Proceeds from debt, net	939		323		1,262
Repayment of debt	(939)		(121)		(1,060)
Net intercompany borrowings (repayments)	509	(290)	(216)	(3)	
Proceeds from stock issuance, net	2				2
Sale of noncontrolling interests			32		32
Acquisition of noncontrolling interests			(13)		(13)
Dividends paid to noncontrolling interests			(5)	3	(2)
Dividends paid to common stockholders	(509)		(5)	5	(509)
Other			(4)		(4)
Net cash provided from (used in) financing activities	2	(290)	(9)	5	(292)
Effect of exchange rate changes on cash			(18)		(18)

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Net change in cash and cash equivalents		(157)	71		(86)
Cash and cash equivalents at beginning of period		342	1,219		1,561
Cash and cash equivalents at end of period	\$	\$ 185	\$ 1,290	\$	\$ 1,475

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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)

Condensed Consolidating Statement of Cash Flows	Nine Months Ended September 30, 2012				Newmont Mining Corporation Consolidated
	Newmont Mining Corporation	Newmont USA	Other Subsidiaries	Elimination	
Operating activities:					
Net income (loss)	\$ 1,136	\$ 925	\$ 1,100	\$ (1,740)	\$ 1,421
Adjustments	(1,131)	(125)	681	1,735	1,160
Net change in operating assets and liabilities	163	(410)	(792)		(1,039)
Net cash provided from (used in) continuing operations	168	390	989	(5)	1,542
Net cash used in discontinued operations			(12)		(12)
Net cash provided from (used in) operations	168	390	977	(5)	1,530
Investing activities:					
Additions to property, plant and mine development		(469)	(1,925)		(2,394)
Acquisitions, net			(22)		(22)
Sale of marketable securities		209			209
Purchases of marketable securities		(209)			(209)
Proceeds from sale of other assets			13		13
Other			(48)		(48)
Net cash used in investing activities		(469)	(1,982)		(2,451)
Financing activities:					
Proceeds from debt, net	3,345		(2)		3,343
Repayment of debt	(1,802)	(150)	(4)		(1,956)
Payment of conversion premium on debt	(172)				(172)
Net intercompany borrowings (repayments)	(1,038)	475	567	(4)	
Proceeds from stock issuance, net	20				20
Dividends paid to noncontrolling interests			(7)	4	(3)
Dividends paid to common stockholders	(521)		(5)	5	(521)
Other		(1)	(1)		(2)
Net cash provided from (used in) financing activities	(168)	324	548	5	709
Effect of exchange rate changes on cash			1		1
Net change in cash and cash equivalents		245	(456)		(211)

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Cash and cash equivalents at beginning of period		10	1,750		1,760
Cash and cash equivalents at end of period	\$	\$ 255	\$ 1,294	\$	\$ 1,549

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, 2013				Newmont Mining Corporation Consolidated
Condensed Consolidating Balance Sheet	Newmont Mining Corporation	Newmont USA	Other Subsidiaries	Eliminations	
Assets					
Cash and cash equivalents	\$	\$ 185	\$ 1,290	\$	\$ 1,475
Trade receivables		87	128		215
Accounts receivable	18	3	236		257
Intercompany receivable	1,291	6,718	3,117	(11,126)	
Investments	24	1	66		91
Inventories		156	637		793
Stockpiles and ore on leach pads		389	405		794
Deferred income tax assets	3	145	65		213
Other current assets		88	1,295		1,383
Current assets	1,336	7,772	7,239	(11,126)	5,221
Property, plant and mine development, net		3,025	13,340	(43)	16,322
Investments		7	533		540
Investments in subsidiaries	15,313	5,051	3,051	(23,415)	
Stockpiles and ore on leach pads		503	2,348		2,851
Deferred income tax assets	1,162	266	823	(1,213)	1,038
Long-term intercompany receivable	3,197	53	350	(3,600)	
Other long-term assets	46	187	594		827
Total assets	\$ 21,054	\$ 16,864	\$ 28,278	\$ (39,397)	\$ 26,799
Liabilities					
Debt	\$ 554	\$	\$ 33	\$	\$ 587
Accounts payable		69	476		545
Intercompany payable	3,251	5,741	2,134	(11,126)	
Employee-related benefits		150	166		316
Income and mining taxes		22	76		98
Other current liabilities	79	156	1,477		1,712
Current liabilities	3,884	6,138	4,362	(11,126)	3,258
Debt	5,550	1	398		5,949
Reclamation and remediation liabilities		186	1,293		1,479
Deferred income tax liabilities		35	1,936	(1,213)	758
Employee-related benefits	6	201	177		384

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Long-term intercompany payable	172		3,471	(3,643)	
Other long-term liabilities		21	408		429
Total liabilities	9,612	6,582	12,045	(15,982)	12,257
Equity					
Newmont stockholders' equity	11,442	10,282	11,414	(21,605)	11,533
Noncontrolling interests			4,819	(1,810)	3,009
Total equity	11,442	10,282	16,233	(23,415)	14,542
Total liabilities and equity	\$ 21,054	\$ 16,864	\$ 28,278	\$ (39,397)	\$ 26,799

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)

Condensed Consolidating Balance Sheet	At December 31, 2012				Newmont Mining Corporation Consolidated
	Newmont Mining Corporation	Newmont USA	Other Subsidiaries	Eliminations	
Assets					
Cash and cash equivalents	\$	\$ 342	\$ 1,219	\$	\$ 1,561
Trade receivables		57	226		283
Accounts receivable	20	10	547		577
Intercompany receivable	2,748	6,276	4,025	(13,049)	
Investments	58	7	21		86
Inventories		147	649		796
Stockpiles and ore on leach pads		245	541		786
Deferred income tax assets		109	153	(67)	195
Other current assets		48	1,613		1,661
Current assets	2,826	7,241	8,994	(13,116)	5,945
Property, plant and mine development, net		2,869	15,178	(37)	18,010
Investments		6	1,440		1,446
Investments in subsidiaries	16,599	5,504	3,115	(25,218)	
Stockpiles and ore on leach pads		448	2,448		2,896
Deferred income tax assets	791	146	685	(1,141)	481
Long-term intercompany receivable	3,907	45	564	(4,516)	
Other long-term assets	52	172	648		872
Total assets	\$ 24,175	\$ 16,431	\$ 33,072	\$ (44,028)	\$ 29,650
Liabilities					
Debt	\$	\$	\$ 10	\$	\$ 10
Accounts payable		97	560		657
Intercompany payable	3,969	5,192	3,888	(13,049)	
Employee-related benefits		149	190		339
Income and mining taxes		16	35		51
Other current liabilities	71	175	1,838		2,084
Current liabilities	4,040	5,629	6,521	(13,049)	3,141
Debt	6,069	1	218		6,288
Reclamation and remediation liabilities		183	1,274		1,457
Deferred income tax liabilities		24	2,040	(1,206)	858
Employee-related benefits	5	385	196		586

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Long-term intercompany payable	381		4,172	(4,553)	
Other long-term liabilities		13	359		372
Total liabilities	10,495	6,235	14,780	(18,808)	12,702
Equity					
Newmont stockholders' equity	13,680	10,196	13,245	(23,348)	13,773
Noncontrolling interests			5,047	(1,872)	3,175
Total equity	13,680	10,196	18,292	(25,220)	16,948
Total liabilities and equity	\$ 24,175	\$ 16,431	\$ 33,072	\$ (44,028)	\$ 29,650

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NEWMONT MINING CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

Condensed Consolidating Statement of Income	For Three Months Ended September, 2012										
	Newmont USA			Other Subsidiaries				Eliminations			
	As	As	As	As	As	As	As	As	As	As	
	Previously Presented	Change	Merger	Previously Presented	Change	Merger	Previously Presented	Change	Merger	Previously Presented	
	\$ 1,577	\$ (955)	\$ 59	\$ 681	\$ 903	\$ 955	\$ (59)	\$ 1,799	\$	\$	\$
Operating expenses											
Applicable to sales	623	(391)	13	245	465	391	(13)	843			
Depreciation and amortization	174	(128)	7	53	98	128	(7)	219			
Reclamation and remediation	12	(10)	1	3	5	10	(1)	14			
Exploration	72	(48)	7	31	43	48	(7)	84			
Acquired projects, research and development	55	(46)	2	11	20	45	(2)	63	(1)	1	
General and administrative	52	(12)		40	(1)	12		11			
Goodwill impairment expense, net	72	(55)	2	19	58	56	(2)	112	1	(1)	
	1,060	(690)	32	402	688	690	(32)	1,346			
Income (expense)											
Operating income, net	16	(5)		11	37	4		41			
Income intercompany	4	6		10		(6)		(6)	(50)		
Expense intercompany					(47)			(47)	50		
Expense, net	(7)	4		(3)	6	(3)		3			
	13	5		18	(4)	(5)		(9)			
Income (loss) before income and mining tax and other items	530	(260)	27	297	211	260	(27)	444			
Income and mining tax benefit (expense)	(245)	163		(82)	9	(163)		(154)			
Income (loss) of affiliates	(6)	25	(27)	(8)	40			40	(426)	(25)	27
Income (loss) from continuing operations	279	(72)		207	260	97	(27)	330	(426)	(25)	27
Income (loss) from discontinued operations	2	(2)			(35)	2		(33)			
Income (loss)	281	(74)		207	225	99	(27)	297	(426)	(25)	27
Income (loss) attributable to noncontrolling interests	(74)	74			(29)	(74)		(103)	23		
Income (loss) attributable to Newmont stockholders	\$ 207	\$	\$	\$ 207	\$ 196	\$ 25	\$ (27)	\$ 194	\$ (403)	\$ (25)	\$ 27

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Comprehensive income (loss)	\$ 299	\$ (75)	\$	\$ 224	\$ 497	\$ 106	\$ (27)	\$ 576	\$ (715)	\$ (31)	\$ 27	\$
Comprehensive loss (income) attributable to noncontrolling interests	(75)	75			(29)	(75)		(104)	23			
Comprehensive income (loss) attributable to controlling stockholders	\$ 224	\$	\$	\$ 224	\$ 468	\$ 31	\$ (27)	\$ 472	\$ (692)	\$ (31)	\$ 27	\$

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NEWMONT MINING CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

Consolidating Statement of Income	For Nine Months Ended September 30, 2012										
	Newmont USA			Other Subsidiaries				Eliminations			
	As Previously Presented	Change	Merger	As Previously Presented	As Previously Presented	Change	Merger	As Previously Presented	As Previously Presented	Change	Subsidiaries
	\$ 4,577	\$(2,906)	\$ 196	\$ 1,867	\$ 2,815	\$ 2,906	\$(196)	\$ 5,525	\$	\$	\$
Expenses											
Cost of sales	1,736	(1,016)	25	745	1,371	1,016	(25)	2,362			
Depletion and amortization	439	(325)	20	134	312	325	(20)	617			
Reclamation and remediation	35	(30)	3	8	14	30	(3)	41			
Exploration	196	(134)	12	74	113	134	(12)	235			
Projects, research and development	207	(178)	4	33	51	178	(4)	225			
Administrative	160	(55)		105	2	55		57			
Other	139	(105)	2	36	238	105	(2)	341			
	2,912	(1,843)	66	1,135	2,101	1,843	(66)	3,878			
Income (expense)											
Net income	41	(18)		23	78	18		96			
Income intercompany	7	17		24	11	(17)		(6)	(143)		
Expense intercompany	(1)	1			(131)	(1)		(132)	143		
Other, net	(19)	13		(6)	15	(13)		2			
	28	13		41	(27)	(13)		(40)			
Income before income and mining tax and											
	1,693	(1,050)	130	773	687	1,050	(130)	1,607			
Income tax benefit (expense)	(474)	264		(210)	(296)	(264)		(560)			
(Loss) of affiliates	(19)	511	(130)	362	157			157	(1,359)	(511)	
Income from continuing operations	1,200	(275)		925	548	786	(130)	1,204	(1,359)	(511)	
Income from discontinued operations	6	(6)			(110)	6		(104)			
Income (loss)	1,206	(281)		925	438	792	(130)	1,100	(1,359)	(511)	
(Loss) attributable to noncontrolling interests	(281)	281			(92)	(281)		(373)	88		
(Loss) attributable to Newmont	\$ 925	\$	\$	\$ 925	\$ 346	\$ 511	\$(130)	\$ 727	\$(1,271)	\$(511)	\$

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Net income (loss)	\$ 1,197	\$ (282)	\$ 915	\$ 446	\$ 766	\$ (130)	\$ 1,082	\$ (1,357)	\$ (484)	\$
Net loss (income) attributable to noncontrolling interests	(282)	282		(92)	(282)		(374)	88		
Net income (loss) attributable to common stockholders	\$ 915	\$	\$ 915	\$ 354	\$ 484	\$ (130)	\$ 708	\$ (1,269)	\$ (484)	\$

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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, 2012													
	Newmont Mining Corporation				Newmont USA			Other Subsidiaries			Eliminations			
	As Previously Presented		As Revised		As Previously Presented		As Revised		As Previously Presented		As Revised		As Previously Presented	
	Change		Change		Change		Change		Change		Change		Change	
Operating	\$ 1,136	\$ (1,182)	\$ 1,136	\$ 1,206	\$ (281)	\$ 151	\$ 925	\$ 438	\$ 791	\$ (129)	\$ 1,100	\$ (1,359)	\$ (510)	
Income	51	(1,182)	(1,131)	530	(806)	151	(125)	(780)	1,483	(22)	681	1,359	505	
Expenses	163		163	(851)	499	(58)	(410)	(351)	(499)	58	(792)			
Income from operations	1,350	(1,182)	168	885	(588)	93	390	(693)	1,775	(93)	989		(510)	
Income from operations								(12)			(12)			
Income from operations	1,350	(1,182)	168	885	(588)	93	390	(705)	1,775	(93)	977		(510)	
Income before taxes			(1,621)	1,241	(89)	(469)	(773)	(1,241)	89	(1,925)				
Income before taxes							(22)			(22)				
Income before taxes			209		209	209		(209)						
Income before taxes			(209)		(209)	(209)		209						
Income before taxes			10	(10)			3	10			13			
Income before taxes			(15)	15			(33)	(15)			(48)			
Income before taxes			(1,626)	1,246	(89)	(469)	(825)	(1,246)	89	(1,982)				

on	1,543		1,543	(151)	1		(150)	(5)	(1)		(6)	
	(172)		(172)									
ents)	(2,220)	1,182	(1,038)	633	(155)	(3)	475	1,587	(1,023)	3	567	(4)
	20		20									
sts mmon				(3)	3				(7)		(7)	4
	(521)		(521)						(5)		(5)	5
						(1)	(1)	(2)		1	(1)	
om												
	(1,350)	1,182	(168)	479	(151)	(4)	324	1,580	(1,036)	4	548	5
ate				(2)	2			3	(2)		1	
nd				(264)	509		245	53	(509)		(456)	
alents												
			1,526	(1,516)			10	234	1,516		1,750	
alents	\$	\$	\$	\$ 1,262	\$ (1,007)	\$	\$ 255	\$ 287	\$ 1,007	\$	\$ 1,294	\$

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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 COMMITMENTS AND CONTINGENCIES

General

The Company follows ASC guidance in accounting for loss contingencies. Accordingly, estimated losses from contingencies are accrued by a charge to income when information available prior to issuance of the financial statements indicates that it is probable 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 contingency and estimated range of loss, if determinable, 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 3. Except as noted in this paragraph, all of the Company's commitments and contingencies specifically described in this Note 26 relate to the Corporate and Other reportable segment. The Yanacocha matters relate to the South America reportable segment. The Minera Penmont matters relate to the North America reporting segment. The PTNNT matters relate to the Indonesia 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, 2013 and December 31, 2012, \$1,371 and \$1,341, respectively, were accrued for reclamation costs relating to currently or recently producing mineral properties in accordance with asset retirement obligation guidance. The current portions of \$55 and \$62 at September 30, 2013 and December 31, 2012, 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, \$181 and \$198 were accrued for such obligations at September 30, 2013 and December 31, 2012, 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 125% greater or 6% lower than the amount accrued at September 30, 2013. The amounts accrued are reviewed periodically based upon facts and circumstances available at the time. Changes in estimates are recorded in *Reclamation and remediation* in the period estimates are revised.

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

Newmont Mining Corporation

Empire Mine. On July 19, 2012, the California Department of Parks and Recreation (Parks) served Newmont, New Verde Mines LLC, Newmont North America Exploration Limited, Newmont Realty Company and Newmont USA Limited with a complaint for damages and declaratory relief under CERCLA, specifically for costs associated with water treatment at the Empire Mine State Park and for a declaration that Newmont is liable for past and future response costs, as well as indemnification to Parks. In 1975 Parks purchased the Empire Mine site in Grass Valley, California from Newmont to create a historic state park featuring the mining of the Empire Mine. Parks has operated the Empire Mine Site for over 35 years. Newmont intends to vigorously defend this lawsuit. Newmont cannot reasonably predict the outcome of this matter.

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NEWMONT MINING CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

Newmont USA Limited 100% Newmont Owned

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 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.

Hope Bay Mining Ltd. 100% Newmont Owned

In July 2011 Environment Canada Enforcement Officers discovered a release of drill water containing calcium chloride on Hope Bay Mining Ltd. (HBML) property in Nunavut, Canada. Orbit Garant Drilling Inc. (Orbit) operated a diamond drill rig on the HBML property. On February 13, 2013, HBML received service of a summons and charges from a Judge for Nunavut alleging violation of the *Fisheries Act* relating to the release of drill water and alleged failure to report a discharge. Orbit operated the drill at issue in the summons. Total potential fines and penalties for proven charges of this nature could be up to \$1. Newmont cannot reasonably predict the outcome of this matter.

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.

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 the Company expects to 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. In 2011, Yanacocha was served with 23 complaints alleging grounds to nullify the settlements entered into between Yanacocha

and the plaintiffs. Yanacocha has answered the complaints and the court has dismissed several of the matters and the plaintiffs have filed appeals. All appeals were referred to the Civil Court of Cajamarca, which affirmed the decisions of the lower court judge. The plaintiffs have filed appeals of such orders before the Supreme Court. Some of these appeals were dismissed by the Supreme Court in favor of Yanacocha, and others are pending resolution. Yanacocha will continue to vigorously defend its position. Neither the Company nor Yanacocha can reasonably estimate the ultimate loss relating to such claims.

Administrative Actions. The Peruvian government agency responsible for environmental evaluation and inspection, Organismo Evaluacion y Fiscalizacion Ambiental (OEFA), conducts bi-annual reviews of the Yanacocha site. In 2011, 2012, and 2013, OEFA issued notices of alleged violations of OEFA standards to Yanacocha and Conga relating to past inspections. In April 2013, OEFA issued a finding and penalty with respect to three 2008 allegations in the amount of \$0.1. OEFA issued notice of additional alleged violations of OEFA standards in October 2013. Total fines for all outstanding OEFA alleged violations could range from \$0.1 to \$69. Yanacocha and Conga are responding to all notices of alleged violations, but cannot reasonably predict the outcome of the agency allegations.

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)

Minera Penmont 44% Newmont Owned

Newmont owns a 44% interest in the La Herradura joint venture and related gold properties (Herradura, Soledad-Dipolos and Noche Buena), which are located in the Sonora desert. La Herradura is operated by Fresnillo PLC (Fresnillo) through Minera Penmont S. de R.L. de C.V. (Minera Penmont) and Fresnillo owns the remaining 56% interest. Soledad-Dipolos commenced operations in January 2010. In 2009 five members of the El Bajío agrarian community in the state of Sonora (the Claimants), who claim rights over certain surface land in the proximity of the operations of Minera Penmont, lodged a legal claim with the Unitarian Agrarian Court of Hermosillo, Sonora to have Minera Penmont vacate an area of this surface land and associated claims. The land in dispute encompasses a portion of surface area where part of the operations of Dipolos, one of Minera Penmont's three operating mines, is located as well as the processing plant for both the Dipolos mine and the Soledad mine. Minera Penmont's mining concessions are held by way of separate title to that relating to the surface land. In September 2012, the Claimants obtained a ruling on the surface property dispute in their favor by the Mexican Supreme Court and in July 2013, a magistrate ordered Minera Penmont to vacate the property at issue, requiring cessation of production at the Dipolos operations. Minera Penmont has initiated legal proceedings to seek the expropriation of the disputed land in its favor, a process defined under Federal law in Mexico. Claimants also obtained temporary suspension of all of Minera Penmont's explosives permits. Because only Dipolos is subject to the dispute, Minera Penmont projects reinstatement of explosives permits at all other areas. Minera Penmont intends to vigorously contest this matter, but cannot reasonably predict the outcome.

PT Newmont Nusa Tenggara (PTNNT) 31.5% Newmont Owned

Under the Batu Hijau Contract of Work, beginning in 2006 and continuing through 2010, a portion of PTNNT's shares were required to 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, owned a 20% interest in PTNNT at all relevant times, in 2006, a 3% interest was required to be offered for sale and, in each of 2007 through 2010, an additional 7% interest was required to be offered (for an aggregate 31% interest). The price at which such interests were offered for sale to the Indonesian parties was the fair market value of such interest considering PTNNT as a going concern, as agreed with the Indonesian government. Following certain disputes and an arbitration with the Indonesian government, in November and December 2009, sale agreements were concluded pursuant to which the 2006, 2007 and 2008 shares were sold to PT Multi Daerah Bersaing (PTMDB), the nominee of the local governments, and the 2009 shares were sold to PTMDB in February 2010, resulting in PTMDB owning a 24% interest in PTNNT.

On December 17, 2010, the Ministry of Energy & Mineral Resources, acting on behalf of the Indonesian government, accepted the offer to acquire the final 7% interest in PTNNT. Subsequently, the Indonesian government designated Pusat Investasi Pemerintah (PIP), an agency of the Ministry of Finance, as the entity that will buy the final stake. On May 6, 2011, PIP and the foreign shareholders entered into a definitive agreement for the sale and purchase of the

final 7% divestiture stake, subject to receipt of approvals from certain Indonesian government ministries. Subsequent to signing the agreement, a disagreement arose between the Ministry of Finance and the Indonesian parliament in regard to whether parliamentary approval was needed to allow PIP to make the share purchase. In July 2012, the Constitutional Court ruled that parliament approval is required for PIP to use state funds to purchase the shares, which approval has not yet been obtained. Further disputes may arise in regard to the divestiture of the 2010 shares.

Effective January 1, 2011, the local government in the region where the Batu Hijau mine is located commenced the enforcement of local regulations that purport to require PTNNT to pay additional taxes based on revenue and the value of PTNNT's contracts. In addition, the regulations purport to require PTNNT to obtain certain export-related documents from the regional government for purposes of shipping copper concentrate. PTNNT is required to and has obtained all export related-documents in compliance with the laws and regulations of the central government. PTNNT believes that the new regional regulations are not enforceable as they expressly contradict higher level Indonesian laws that set out the permissible taxes that can be imposed by a regional government and all effective export requirements. PTNNT's position is supported by Indonesia's Ministry of Energy & Mineral Resources, Ministry of Trade, and the provincial government. To date, PTNNT has not been forced to comply with these new contradictory regional regulations. On February 4, 2011, PTNNT filed legal proceedings seeking to have the regulations declared null and void because they conflict with the laws of Indonesia. Subsequently, the Ministry of Home Affairs issued a decree declaring these local regulations to be contrary to Indonesian law and thus unenforceable. Further disputes with the local government could arise in relation to these regulations. PTNNT intends to vigorously defend its position in this dispute.

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

Additionally, in September 2011, WALHI brought an administrative law claim against Indonesia's Ministry of Environment to challenge the May 2011 renewal of PTNNT's submarine tailings permit. PTNNT and the regional government of KSB (KSB) filed separate applications for intervention into the proceedings, both of which were accepted by the Administrative Court. KSB intervened on the side of WALHI, and PTNNT joined on the side of the Ministry of Environment. On April 3, 2012, the Administrative Court ruled in favor of the Ministry of Environment and PTNNT, finding that the Ministry of Environment properly renewed the permit in accordance with Indonesian law and regulations. WALHI appealed the verdict. On October 2, 2012, the High Administrative Law Court rejected WALHI's appeal, after which WALHI filed a notice to appeal the case to the Supreme Court. On May 28, 2013, the Supreme Court of Indonesia updated its website to provide that WALHI's appeal in this matter was rejected. The parties are still awaiting the written decision from the court. PTNNT will continue to defend its submarine tailings permit and is confident that the Ministry of Environment acted properly in renewing PTNNT's permit.

NWG Investments Inc. v. Fronteer Gold Inc.

In April 2011, Newmont acquired Fronteer Gold Inc. (Fronteer).

Fronteer acquired NewWest Gold Corporation (NewWest Gold) in September 2007. At the time of that acquisition, NWG Investments Inc. (NWG) owned approximately 86% of NewWest Gold and an individual named Jacob Safra owned or controlled 100% of NWG. Prior to its acquisition of NewWest Gold, Fronteer entered into a June 2007 lock-up agreement with NWG providing that, among other things, NWG would support Fronteer's acquisition of NewWest Gold. At that time, Fronteer owned approximately 42% of Aurora Energy Resources Inc. (Aurora), which, among other things, had a uranium exploration project in Labrador, Canada.

NWG contends that, during the negotiations leading up to the lock-up agreement, Fronteer represented to NWG that Aurora would commence uranium mining in Labrador by 2013, that this was a firm date, that Fronteer was not aware of any obstacle to doing so, that Aurora faced no serious environmental issues in Labrador and that Aurora's competitors faced greater delays in commencing uranium mining. NWG further contends that it entered into the lock-up agreement and agreed to support Fronteer's acquisition of NewWest Gold in reliance upon these purported representations. On October 11, 2007, less than three weeks after the Fronteer-NewWest Gold transaction closed, a member of the Nunatsiavut Assembly introduced a motion calling for the adoption of a moratorium on uranium mining in Labrador. On April 8, 2008, the Nunatsiavut Assembly adopted a three-year moratorium on uranium mining in Labrador. NWG contends that Fronteer was aware during the negotiations of the NWG/Fronteer lock-up agreement that the Nunatsiavut Assembly planned on adopting this moratorium and that its adoption would preclude Aurora from commencing uranium mining by 2013, but Fronteer nonetheless fraudulently induced NWG to enter into the lock-up agreement.

On September 24, 2012, NWG served a summons and complaint on NMC, and then amended the complaint to add Newmont Canada Holdings ULC as a defendant. The complaint also names Fronteer Gold Inc and Mark O Dea as defendants. The complaint seeks rescission of the merger between Fronteer and NewWest Gold and \$750 in damages. In August 2013 the Supreme Court of New York, New York County issued an order granting the defendants' motion to

dismiss on forum non conveniens. Subsequently, NWG filed an appeal of the decision.

Newmont intends to defend this matter, but cannot reasonably predict the outcome.

Other Commitments and Contingencies

Tax contingencies are provided for in accordance with ASC income tax guidance (see Note 8).

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 \$45 in 2013, \$31 in 2014 through 2017 and \$363 thereafter.

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NEWMONT MINING CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

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, 2013 and December 31, 2012, there were \$1,807 and \$1,755, 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. However, the Company 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.

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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). We use certain non-GAAP financial performance measures in our MD&A. For a detailed description of each of the non-GAAP financial measures used in this MD&A, please see the discussion under *Non-GAAP Financial Performance Measures* beginning on page 68. References to A\$ refer to Australian currency, C\$ to Canadian currency and NZ\$ to New Zealand 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 Part II of our Annual Report on Form 10-K for the year ended December 31, 2012 filed February 22, 2013.

Overview

Newmont is one of the world's largest gold producers and is the only gold company included in the S&P 500 Index and Fortune 500. We have been included in the Dow Jones Sustainability Index-World for seven consecutive years and have adopted the World Gold Council's Conflict-Free Gold Policy. We are also engaged in the exploration for and acquisition of gold and copper properties. We have significant operations and/or assets in the United States, Australia, Peru, Indonesia, Ghana, Mexico and New Zealand.

Our vision is to be the most valued and respected mining company through industry leading performance. Third quarter 2013 highlights are included below and discussed further in *Results of Consolidated Operations*.

Operating highlights

Sales of \$1,983 and \$6,153 for the third quarter and first nine months of 2013;

Average realized gold and copper prices of \$1,322 per ounce and \$3.10 per pound, respectively, for the third quarter and \$1,442 per ounce and \$2.95 per pound, respectively, for the first nine months of 2013;

Consolidated gold production of 1,382,000 ounces (1,284,000 attributable ounces) for the third quarter of 2013, at *Costs applicable to sales* of \$649 per ounce, which included stockpile and leach pad write-downs of \$26 per ounce;

Consolidated gold production of 3,949,000 ounces (3,617,000 attributable ounces) for the first nine months of 2013, at *Costs applicable to sales* of \$763 per ounce, which included stockpile and leach pad write-downs of \$65 per ounce;

Consolidated copper production of 54 million pounds (34 million attributable pounds) for the third quarter of 2013, at *Costs applicable to sales* of \$2.63 per pound, which included stockpile and leach pad write-downs of \$0.36 per pound;

Consolidated copper production of 165 million pounds (106 million attributable pounds) for the first nine months of 2013, at *Costs applicable to sales* of \$4.61 per pound, which included stockpile and leach pad write-downs of \$2.27 per pound;

Gold operating margin (see *Non-GAAP Financial Measures* on page 68) of \$673 and \$679 per ounce for the third quarter and first nine months of 2013, respectively.

Advancing our project pipeline

We remain focused on the progression of our next generation of mining projects. Approximately 40% of our 2013 capital expenditures will be allocated as development capital, including the Akyem project, the Phoenix Copper Leach project, the Turf Ventilation Shaft project and the Conga project, with the remaining 60% expected to be spent on sustaining capital. We manage our wider project portfolio to maintain flexibility to address the development risks associated with our projects including permitting, local community and government support, engineering and procurement availability, technical issues, escalating costs and other associated risks that could adversely impact the timing and costs of certain opportunities.

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Our opportunities in the Execution phase of development comprise a significant part of the Company's growth strategy and include Akyem in Ghana, Phoenix Copper Leach and Turf Ventilation Shaft in Nevada and Conga in Peru, as described further below.

Akyem, Ghana. Construction activities were completed in September 2013 on schedule and on budget. Commissioning activities are ongoing and first gold pour occurred on October 4, 2013. Commercial production is on target for the fourth quarter of 2013. Gold production is expected to be 350,000 to 450,000 ounces per year at *Costs applicable to sales* of \$500 to \$650 per ounce for the first five years of the mine's operating life of approximately 16 years. Capital costs are estimated at approximately \$950, of which \$920 have been incurred at September 30, 2013. At December 31, 2012, we reported 7.4 million ounces of gold reserves at Akyem.

Phoenix Copper Leach, Nevada. Construction activities were completed in September 2013 on schedule and on budget with the first copper cathode produced on October 1, 2013 and commercial production is targeted for the fourth quarter of 2013. Copper production is expected to be approximately 20 million pounds per year for the first five years of production at *Costs applicable to sales* of \$1.75 to \$2.00 per pound, which are expected to be reported under the by-product method of accounting. Capital costs are estimated at approximately \$175, of which \$156 have been incurred at September 30, 2013.

Turf Ventilation Shaft, Nevada. The Board of Directors authorized full funding for the Turf Vent Shaft project in April 2013. Additional ventilation supports profitable production growth from approximately 1.5 million tons of ore per year to more than 2 million tons, equating to an increase of production of approximately 100,000 to 150,000 ounces of gold per year over the 11 year mine life and lowers the life of mine average mine operating costs on a per ounce basis. Capital costs are expected to be \$360 to \$400, of which \$109 have been incurred at September 30, 2013.

Conga, Peru. Due to local political and community protests, construction and development activities at the Conga project were largely suspended in November 2011. The results of the Peruvian Central Government initiated Environmental Impact Assessment (EIA) independent review were announced on April 20, 2012 and confirmed our initial EIA met Peruvian and International standards. The review made recommendations to provide additional water capacity and social funds, which we have largely accepted. We announced our decision to move the project forward on a water first approach on June 22, 2012. Spending on the project in 2013 is anticipated to be approximately \$230, focusing on building the Chailhuagon water reservoir, completing the last engineering activities, and accepting delivery of the main equipment purchases. Total property, plant and mine development was \$1,606 at September 30, 2013. At December 31, 2012 we reported 6.5 million attributable ounces of gold reserves and 1,690 million attributable pounds of copper reserves at Conga. Construction of Conga and the implementation of the independent EIA review recommendations will continue provided it can be done in a safe manner with risk-adjusted returns that justify future investment. Should we be unable to continue with the current development plan at Conga, we may reprioritize and reallocate capital to development alternatives which may result in a potential accounting impairment.

We continue to advance earlier stage development assets through our project pipeline in our five operating regions. The exploration, construction and operation of these earlier stage development assets may require significant funding if they go into execution. Three of these projects are described further below:

Merian, Suriname. Feasibility study work for the Merian project began in the third quarter of 2011 and was completed in 2012, increasing our equity interest in the joint venture with Alcoa to 80%. Pending approval of the mineral agreement by the government of Suriname and Newmont and receipt of various related government of Suriname approvals, Newmont's Board of Directors will consider authorizing full funding for the development of the project. The development of the Merian project will allow Newmont to pursue a new district with upside potential and the opportunity to grow and extend the operating life of the South American region. Initial estimated gold production (on

a 100% basis) of 350,000 to 450,000 ounces is expected per year, once Merian comes into production. At December 31, 2012, we reported 2.9 million attributable ounces of gold reserves at Merian.

Long Canyon, Nevada. The project is in the selection and confirmation stage of development and we continue to develop our understanding of Long Canyon and the district. We have submitted the Plan-of-Operations to the Bureau of Land Management in support of our Environmental Impact Statement (EIS) and continue to progress the exploration program. A total of 85 kilometers of drilling was completed in 2012 and we anticipate an additional 65 kilometers to be drilled in 2013. Our intention is to bring the project into production in 2017.

Ahafo Mill Expansion, Ghana. The project is in the Feasibility Phase of development and consists of the design and construction of additional processing capacity at the Ahafo Mine in Ghana. The objective of the project is to increase processing capacity from the current 8 million tons of ore per year to 13 million tons, bringing profitable production from Ahafo forward. Pending Government approval of the EIS and associated project permits, Newmont may consider authorizing full funding for the development of the project sometime in 2014.

Table of Contents**Selected Financial and Operating Results**

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2013	2012	2013	2012
Sales	\$ 1,983	\$ 2,480	\$ 6,153	\$ 7,392
Income (loss) from continuing operations	\$ 427	\$ 480	\$ (1,521)	\$ 1,525
Net income (loss)	\$ 406	\$ 447	\$ (1,468)	\$ 1,421
Net income (loss) attributable to Newmont stockholders	\$ 408	\$ 367	\$ (1,296)	\$ 1,136
Per common share, basic:				
Income (loss) from continuing operations attributable to Newmont stockholders	\$ 0.86	\$ 0.81	\$ (2.72)	\$ 2.50
Net income (loss) attributable to Newmont stockholders	\$ 0.82	\$ 0.74	\$ (2.61)	\$ 2.29
Adjusted net income (loss) ⁽¹⁾	\$ 227	\$ 426	\$ 531	\$ 1,298
Adjusted net income (loss) per share ⁽¹⁾	\$ 0.46	\$ 0.86	\$ 1.07	\$ 2.62
Consolidated gold ounces (thousands)				
Produced	1,382	1,397	3,949	4,238
Sold ⁽²⁾	1,365	1,370	3,948	4,138
Consolidated copper pounds (millions)				
Produced	54	55	165	172
Sold	57	58	156	162
Average price received, net:				
Gold (per ounce)	\$ 1,322	\$ 1,659	\$ 1,442	\$ 1,649
Copper (per pound)	\$ 3.10	\$ 3.55	\$ 2.95	\$ 3.51
Consolidated costs applicable to sales: ⁽³⁾				
Gold (per ounce)	\$ 649	\$ 693	\$ 763	\$ 664
Copper (per pound)	\$ 2.63	\$ 2.38	\$ 4.61	\$ 2.23
Attributable costs applicable to sales: ⁽¹⁾				
Gold (per ounce)	\$ 654	\$ 716	\$ 773	\$ 689
Copper (per pound)	\$ 2.56	\$ 2.35	\$ 4.09	\$ 2.23
Operating margin: ⁽¹⁾				
Gold (per ounce)	\$ 673	\$ 966	\$ 679	\$ 985
Copper (per pound)	\$ 0.47	\$ 1.17	\$ (1.66)	\$ 1.28

(1) See Non-GAAP Financial Measures on page 68.

(2) Excludes development ounces.

(3) Excludes *Amortization and Reclamation and remediation*.

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Net income (loss) attributable to Newmont stockholders for the third quarter of 2013 was \$408 (\$0.82 per share) compared to income of \$367 (\$0.74 per share) for the third quarter of 2012. *Net income (loss) attributable to Newmont stockholders* for the first nine months of 2013 was a loss of \$(1,296) (\$2.61 per share) compared to income of \$1,136 (\$2.29 per share) for the first nine months of 2012. Results for the third quarter of 2013 compared to the third quarter of 2012 were impacted by lower realized gold and copper prices, the sale of Canadian Oil Sands, and lower production from Yanacocha and Batu Hijau. Results for the first nine months of 2013 compared to the same period in 2012 were impacted by asset impairments in the second quarter; as well as lower production from Nevada, Yanacocha, Batu Hijau, and Ahafo, lower realized gold and copper prices, and the sale of Canadian Oil Sands.

Gold *Sales* decreased 21% in the third quarter of 2013 due to lower realized prices and lower sales volumes. Gold *Sales* decreased 17% in the first nine months of 2013 due to lower sales volume and realized prices. The following analysis summarizes consolidated gold sales:

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2013	2012	2013	2012
Consolidated gold sales:				
Gross before provisional pricing	\$ 1,815	\$ 2,265	\$ 5,733	\$ 6,835
Provisional pricing mark-to-market	9	13	(13)	17
Gross after provisional pricing	1,824	2,278	5,720	6,852
Treatment and refining charges	(19)	(4)	(28)	(29)
Net	\$ 1,805	\$ 2,274	\$ 5,692	\$ 6,823
Consolidated gold ounces sold (thousands):				
Average realized gold price (per ounce):				
Gross before provisional pricing	\$ 1,330	\$ 1,653	\$ 1,452	\$ 1,652
Provisional pricing mark-to-market	6	9	(3)	4
Gross after provisional pricing	1,336	1,662	1,449	1,656
Treatment and refining charges	(14)	(3)	(7)	(7)
Net	\$ 1,322	\$ 1,659	\$ 1,442	\$ 1,649

The change in consolidated gold sales is due to:

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2013 vs. 2012		2013 vs. 2012	
Change in consolidated ounces sold	\$	(21)	\$	(340)
Change in average realized gold price		(433)		(792)

Change in treatment and refining charges	(15)	1
	\$ (469)	\$ (1,131)

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Copper *Sales* decreased 14% in the third quarter of 2013 compared to the third quarter of 2012 due to lower copper pounds sold and lower realized copper prices. Copper *Sales* decreased 19% in the first nine months of 2013 compared to the same period in 2012 due to lower sales volume and lower realized prices. The following analysis summarizes consolidated copper sales:

	Three Months Ended September 30, 2013		September 30, 2012		Three Months Ended September 30, 2013		September 30, 2012	
Consolidated copper sales:								
Gross before provisional pricing	\$	182	\$	205	\$	516	\$	584
Provisional pricing mark-to-market		14		18		(10)		31
Gross after provisional pricing		196		223		506		615
Treatment and refining charges		(18)		(17)		(45)		(46)
Net	\$	178	\$	206	\$	461	\$	569
Consolidated copper pounds sold (millions):								
		57		58		156		162
Average realized copper price (per pound):								
Gross before provisional pricing	\$	3.16	\$	3.53	\$	3.30	\$	3.60
Provisional pricing mark-to-market		0.25		0.31		(0.06)		0.19
Gross after provisional pricing		3.41		3.84		3.24		3.79
Treatment and refining charges		(0.31)		(0.29)		(0.29)		(0.28)
Net	\$	3.10	\$	3.55	\$	2.95	\$	3.51

The change in consolidated copper sales is due to:

	Three Months Ended September 30, 2013 vs. 2012		Nine Months Ended September 30, 2013 vs. 2012	
Change in consolidated pounds sold	\$	(4)	\$	(23)
Change in average realized copper price		(23)		(86)
Change in treatment and refining charges		(1)		1
	\$	(28)	\$	(108)

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

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2013	2012	2013	2012
Gold				
North America:				
Nevada	\$ 618	\$ 734	\$ 1,746	\$ 2,028
La Herradura	70	88	231	274
	688	822	1,977	2,302
South America:				
Yanacocha	346	585	1,221	1,793
Australia/New Zealand:				
Boddington	204	281	782	843
Other Australia/New Zealand	357	358	1,081	1,116
	561	639	1,863	1,959
Indonesia:				
Batu Hijau	16	24	42	76
Africa:				
Ahafo	194	204	589	693
	1,805	2,274	5,692	6,823
Copper				
Australia/New Zealand:				
Boddington	42	60	156	163
Indonesia:				
Batu Hijau	136	146	305	406
	178	206	461	569
	\$ 1,983	\$ 2,480	\$ 6,153	\$ 7,392

Costs applicable to sales for gold decreased in the third quarter of 2013 compared to the same period in 2012 due primarily to lower operating costs and royalties. *Costs applicable to sales* for gold increased in the first nine months of 2013 due to the second quarter stockpile and leach pad write-downs. *Costs applicable to sales* for copper increased in the third quarter and first nine months of 2013 compared to the same periods in 2012 due to a higher allocation of cost to copper at Batu Hijau partially offset by a lower allocation of costs to copper at Boddington. *Costs applicable to sales* for copper increased in the first nine months of 2013 due to the second quarter stockpile write-downs. For a complete discussion regarding variations in operations, see *Results of Consolidated Operations* below.

Amortization in the third quarter and first nine months of 2013 increased compared to the same period of 2012 due to the portion of amortization included in the cost of stockpiles and leach pads that was subject to the write-downs, higher mine development costs, and higher asset retirement costs. We expect *Amortization* to be \$1,250 to \$1,300 in 2013 including the impact of the stockpile and leach pad write-downs discussed above.

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

	Costs Applicable to Sales				Costs Applicable to Sales				
	Three Months Ended September 30, 2013		Three Months Ended September 30, 2012		Nine Months Ended September 30, 2013		Nine Months Ended September 30, 2012		
Gold									
North America:									
Nevada	\$ 251	\$ 292	\$ 59	\$ 61	\$ 799	\$ 817	\$ 178	\$ 161	
La Herradura	40	31	9	5	122	96	22	16	
	291	323	68	66	921	913	200	177	
South America:									
Yanacocha	154	185	87	83	509	523	254	195	
Australia/New Zealand:									
Boddington	152	155	28	37	578	449	129	118	
Other Australia/New Zealand	202	201	60	34	697	573	164	106	
	354	356	88	71	1,275	1,022	293	224	
Indonesia:									
Batu Hijau	11	17	3	2	81	47	18	8	
Africa:									
Ahafo	75	69	19	18	226	241	56	58	
	885	950	265	240	3,012	2,746	821	662	
Copper									
Australia/New Zealand:									
Boddington	29	39	5	7	139	107	29	25	
Indonesia:									
Batu Hijau	122	99	24	21	582	254	114	51	
	151	138	29	28	721	361	143	76	
Other									
Corporate and other			5	4			17	13	
			5	4			17	13	
	\$ 1,036	\$ 1,088	\$ 299	\$ 272	\$ 3,733	\$ 3,107	\$ 981	\$ 751	

Exploration expense decreased \$55 and \$114 in the third quarter and first nine months of 2013, respectively, compared to the same periods of 2012 due to decreases in both brownfields and greenfields expenditures in all our regions. Exploration activities in a number of countries including Solomon Islands, Papua New Guinea and Cote d'Ivoire have been discontinued. We expect *Exploration* expense of \$250 to \$300 in 2013, focused primarily on our brownfields programs at Carlin, Long Canyon and Phoenix in Nevada, La Herradura in Mexico, Jundee and Tanami in Australia and Ahafo in Africa, whereas in the greenfields programs the focus will be on Nevada, Suriname-French

Guiana, Andes and West Africa.

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The following is a summary of *Advanced projects, research and development* expense:

	Three Months Ended		Nine Months Ended	
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
North America				
Nevada	\$ 10	\$ 14	\$ 21	\$ 33
La Herradura	3	1	9	1
South America				
Yanacocha	4	3	14	16
Conga	14	9	16	45
Other South America	1	5	1	31
Asia Pacific				
Boddington		2		5
Other Australia/New Zealand	2	1	6	8
Indonesia				
Batu Hijau	1	2	6	12
Africa				
Ahafo	9	4	16	10
Akyem	2	4	7	8
Other Africa	2	1	4	2
Corporate and Other				
Technical and project services	14	21	44	74
Corporate	5	7	21	13
	\$ 67	\$ 74	\$ 165	\$ 258

We expect *Advanced projects, research and development* expenses of \$250 to \$300 in 2013, focused primarily on Long Canyon, underground exploration drifts in Nevada, the start-up of Akyem and Ahafo North in Africa, and the Verde bioleach demonstration project in South America.

General and administrative expense decreased by \$3 and \$4 for the third quarter and first nine months of 2013, respectively, compared to the same periods of 2012 due to lower labor costs. We expect *General and administrative* expenses of \$180 to \$230 in 2013.

Write-downs totaled \$3 and \$2,265 for the third quarter and first nine months of 2013, respectively. The write-down for the first nine months of 2013 was primarily due to a decrease in the Company's long-term gold and copper price assumptions in the second quarter to \$1,400 per ounce and \$3.00 per pound, respectively, combined with rising operating costs. These factors represented significant changes in the business environment, requiring the Company to evaluate for impairment. For purposes of this evaluation, estimates of future cash flows of the individual reporting units were used to determine fair value. The estimated cash flows were derived from life-of-mine plans, developed using long-term pricing reflective of the current price environment and management's projections for operating costs.

Other expense, net decreased by \$47 in the third quarter of 2013 compared to the third quarter of 2012 mainly due to lower Hope Bay care and maintenance costs, regional administration expenses, and restructuring costs in 2012, partially offset by community development. *Other expense, net* decreased by \$117 in the first nine months of 2013

compared to the first nine months of 2012 mainly due to lower Hope Bay care and maintenance costs and regional administration expenses, partially offset by community development and higher transaction costs.

Other income, net increased by \$238 in the third quarter of 2013 compared to the third quarter of 2012 and increased by \$245 in the first nine months of 2013 compared to the first nine months of 2012 due to a gain on the sale of the Canadian Oil Sands investment and higher foreign currency exchange gain, partially offset by higher impairment of marketable securities and lower income from developing projects.

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Interest expense, net increased \$9 and \$21 for the third quarter and first nine months of 2013, respectively, compared to the same periods in 2012 due to decreased capitalized interest and higher drawdowns on the Corporate Credit Facility, as well as the issuance of the 2022 and 2042 Senior Notes on the first nine months of the current year. Capitalized interest decreased by \$9 and \$4 in the third quarter and first nine months of 2013, respectively, compared to the same periods in 2012 due to lower development project expenditures. We now expect *Interest expense, net* of \$275 to \$325 in 2013.

Income and mining tax expenses during the third quarter of 2013 resulted in an estimated expense of \$154, for an effective tax rate of 26%. Estimated income and mining tax expense during the third quarter of 2012 was \$228 for an effective tax rate of 32%. The lower effective tax rate on the income in the third quarter of 2013 is a result of tax planning related to the sale of the Canadian Oil Sands investment and the Canadian capital gains tax rate associated with the sale partially offset by a diluted benefit from percentage depletion.

During the first nine months of 2013, the estimated income and mining tax expense was \$10, resulting in an effective tax rate of less than 0%. Absent the net impact of the asset impairment charges recorded in the prior quarter, the effective tax rate would have been 27%. Estimated income and mining tax expense during the first nine months of 2012 was \$746 for an effective tax rate of 32%. The lower effective tax rate on the loss in the first nine months of 2013 is primarily due to the benefit related to tax planning on the sale of the Canadian Oil Sands investment and the Canadian capital gains tax rate associated with the sale.

A valuation allowance is provided for those deferred tax assets for which it is more likely than not that the related benefits will not be realized. In determining the amount of the valuation allowance, each quarter, we consider estimated future taxable income as well as feasible tax planning strategies in each jurisdiction to determine if the deferred tax assets are realizable. If it is determined we will not realize all or a portion of its deferred tax assets, we will place or increase a valuation allowance. Conversely, if we determine that we will ultimately be able to realize all or a portion of the related benefits for which a valuation allowance has been provided, all or a portion of the related valuation allowance will be reduced.

There are a number of factors that can potentially impact the Company's effective tax, including the geographic distribution of income, the non-recognition of tax assets, percentage depletion, changes in tax laws, and the impact of specific transactions and assessments. 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 Annual Report on Form 10-K for the year ended December 31, 2012 filed February 22, 2013.

Due to the factors discussed above and the sensitivity of the tax provision to these factors, it is expected that the Company's effective tax rate will fluctuate in future periods. We expect the 2013 consolidated tax expense to be approximately 0% to 5%, assuming an average realized gold price of \$1,400 per ounce. Absent the net impact of the asset impairment charges in the first half of the year, we would expect an effective tax rate of 30-32%.

Net income (loss) attributable to noncontrolling interests decreased to a net loss of \$2 in the third quarter and \$172 in the first nine months of 2013 compared to a net income of \$80 in the third quarter and \$285 in the first nine months of 2012 as a result of decreased earnings at Batu Hijau and Minera Yanacocha as well as the TMAC transaction in March 2013.

Income (loss) from discontinued operations includes a reduction in the Holt property royalty liability as of September 30, 2013. During the third quarter of 2013, we recorded a charge of \$21, net of tax benefits of \$10, related to an increase in the gold spot price at quarter end. During the first nine months of 2013 we recorded a benefit from discontinued operations of \$53, net of tax expense of \$24, related to an overall decline in the gold spot price and an

increase in discount rates. During the third quarter of 2012, we recorded an additional \$33 charge, net of tax benefits of \$2, to reflect a decrease in future expected production at the Holt property. The total charges for the first nine months of 2012 are \$104, net of tax benefits of \$6. Due to the nature of the sliding scale royalty calculation, changes in expected production and the gold price have a significant impact on the fair value of the liability.

Table of Contents**Results of Consolidated Operations**

Three Months Ended September 30,	Gold or Copper Produced		Costs Applicable to Sales ⁽¹⁾		Amortization		All-In Sustaining Costs ⁽³⁾	
	2013	2012	2013	2012	2013	2012	2013	2012
	(ounces in thousands)		(\$ per ounce)		(\$ per ounce)		(\$ per ounce)	
Gold								
North America	520	508	\$ 550	\$ 655	\$ 128	\$ 134	\$ 772	\$ 1,020
South America	256	354	591	520	333	233	1,077	1,087
Australia / New Zealand	453	388	854	930	202	185	1,068	1,248
Indonesia	9	16	846	1,115	178	223	1,071	1,667
Africa	144	131	513	561	129	146	836	1,065
Total/Weighted-Average	1,382	1,397	\$ 649	\$ 693	\$ 197	\$ 178	\$ 993	\$ 1,179
Attributable to Newmont ⁽²⁾⁽³⁾	1,284	1,237	\$ 654	\$ 716			\$ 987	\$ 1,193
Net Attributable to Newmont ⁽³⁾			\$ 637	\$ 679				

(pounds in

Copper	millions)		(\$ per pound)		(\$ per pound)	
	2013	2012	2013	2012	2013	2012
Australia/New Zealand	15	16	\$ 2.23	\$ 2.29	\$ 0.38	\$ 0.41
Indonesia	39	39	2.74	2.38	0.55	0.48
Total/Weighted Average	54	55	\$ 2.63	\$ 2.38	\$ 0.51	\$ 0.47
Attributable to Newmont	34	35	\$ 2.56	\$ 2.35		

Nine Months Ended September 30,	Gold or Copper Produced		Costs Applicable to Sales ⁽¹⁾		Amortization		All-In Sustaining Costs ⁽³⁾	
	2013	2012	2013	2012	2013	2012	2013	2012
	(ounces in thousands)		(\$ per ounce)		(\$ per ounce)		(\$ per ounce)	
Gold								
North America	1,394	1,434	\$ 663	\$ 652	\$ 144	\$ 126	\$ 949	\$ 1,099
South America	833	1,110	608	481	304	179	969	1,039
Australia/New Zealand	1,278	1,202	995	866	221	187	1,207	1,173
Indonesia	36	54	2,487	985	541	193	2,848	1,458
Africa	408	438	554	571	137	137	988	934
Total/Weighted-Average	3,949	4,238	\$ 763	\$ 664	\$ 212	\$ 163	\$ 1,125	\$ 1,163

Attributable to Newmont ⁽³⁾⁽⁴⁾	3,617	3,726	\$ 773	\$ 689		\$ 1,137	\$ 1,187
Net Attributable to Newmont ⁽³⁾			\$ 806	\$ 652			

(pounds in

Copper	millions)		(\$ per pound)		(\$ per pound)	
Australia/New Zealand	50	48	\$ 2.65	\$ 2.33	\$ 0.55	\$ 0.54
Indonesia	115	124	5.60	2.19	1.10	0.42
Total/Weighted Average	165	172	\$ 4.61	\$ 2.23	\$ 0.91	\$ 0.47
Attributable to Newmont	106	108	\$ 4.09	\$ 2.23		

- (1) Excludes *Amortization* and *Reclamation and remediation*.
- (2) Includes 17 and 14 attributable ounces in 2013 and 2012, respectively, from our interest in La Zanja and 14 and 7 attributable ounces in 2013 and 2012, respectively, from our interest in Duketon.
- (3) All-In Sustaining Costs, Attributable Costs applicable to sales, and Net Attributable Costs applicable to sales are non-GAAP financial measures. See page 68 for a reconciliation.
- (4) Includes 49 and 40 attributable ounces in 2013 and 2012, respectively, from our interest in La Zanja and 43 and 16 attributable ounces in 2013 and 2012, respectively, from our interest in Duketon.

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Third quarter 2013 compared to 2012

Consolidated gold production decreased 1% due to lower production at Yanacocha and lower grade and recovery at Batu Hijau partially offset by higher production at Australia/New Zealand, Nevada, and Africa. Consolidated copper production decreased 2% due to lower grade and recovery at Boddington and lower throughput at Batu Hijau.

Costs applicable to sales per consolidated gold ounce sold decreased 6% due to lower direct operating costs of \$76 and lower royalties. *Costs applicable to sales* per consolidated copper pound increased 11% due to additional stockpile write-downs related to copper at Batu Hijau.

Amortization increased 11% per consolidated gold ounce sold due to asset retirement cost additions at Yanacocha and lower production from Yanacocha and Batu Hijau. *Amortization* increased 9% per consolidated copper pound sold due to higher allocation of cost to copper and lower production.

First nine months 2013 compared to 2012

Consolidated gold production decreased 7% from lower grades at Nevada, Ahafo, Batu Hijau and lower mill and leach production from Yanacocha partially offset by higher production at Australia/New Zealand. Consolidated copper production decreased 4% due to processing lower grade stockpiles at Batu Hijau partially offset by higher copper grade at Boddington.

Costs applicable to sales per consolidated gold ounce sold increased 15% due to stockpile and leach pad write-downs, lower production from Nevada, Yanacocha, Batu Hijau, and Ahafo partially offset by higher production from Australia/New Zealand. *Costs applicable to sales* per consolidated copper pound sold increased 107% due to stockpile write-downs and lower production at Batu Hijau.

Amortization per consolidated gold ounce sold increased 30% due to the portion of the stockpile and leach pad write-downs that is associated with amortization, lower production from Nevada, Yanacocha, Batu Hijau, and Ahafo as well as higher asset retirement costs at Yanacocha, and additions to property, plant and equipment in North America late in 2012 and early 2013. *Amortization* increased 94% per consolidated copper pound sold due to the portion of the stockpile write-downs associated with amortization as well as lower production.

We expect attributable gold production of 4.8 to 5.1 million ounces at consolidated *Costs applicable to sales* per ounce of \$750 to \$825, including the stockpile and leach pad write-downs discussed above. We now expect copper production of 135 to 145 million pounds attributable to Newmont at consolidated *Costs applicable to sales* per pound of \$4.05 to \$4.40 in 2013, including the stockpile write-downs as discussed above.

Table of Contents**North America Operations**

	Gold Ounces Produced		Costs Applicable to Sales ⁽¹⁾		Amortization		All-In Sustaining Costs ⁽³⁾	
	2013	2012	2013	2012	2013	2012	2013	2012
	(in thousands)		(\$ per ounce)		(\$ per ounce)		(\$ per ounce)	
Three Months Ended September 30,								
Nevada	468	457	\$ 527	\$ 661	\$ 124	\$ 138	\$ 722	\$ 1,018
La Herradura ⁽²⁾	52	51	765	608	166	98	1,173	1,020
Total/Weighted-Average	520	508	\$ 550	\$ 655	\$ 128	\$ 134	\$ 772	\$ 1,020
Attributable to Newmont	520	508						

	Gold Ounces Produced		Costs Applicable to Sales ⁽¹⁾		Amortization		All-In Sustaining Costs ⁽³⁾	
	2013	2012	2013	2012	2013	2012	2013	2012
	(in thousands)		(\$ per ounce)		(\$ per ounce)		(\$ per ounce)	
Nine Months Ended September 30,								
Nevada	1,233	1,270	\$ 651	\$ 661	\$ 145	\$ 130	\$ 893	\$ 1,109
La Herradura ⁽²⁾	161	164	755	585	134	98	1,329	988
Total/Weighted-Average	1,394	1,434	\$ 663	\$ 652	\$ 144	\$ 126	\$ 949	\$ 1,099
Attributable to Newmont	1,394	1,434						

(1) Excludes *Amortization and Reclamation and remediation*.

(2) Our proportionate 44% share.

(3) All-In Sustaining Costs is a non-GAAP financial measure. See page 68 for a reconciliation.

Third quarter 2013 compared to 2012

Nevada, USA. Gold production increased 2% due to higher leach production from Emigrant and Carlin North Area as well as higher grade and throughput at Juniper mill and Phoenix partially offset by lower grade and recovery at Mill 5 as well as lower throughput and recovery at Mill 6 and the Twin Creeks Autoclave. *Costs applicable to sales* per ounce decreased 20% due to higher ounces produced, higher by-product credits, and lower royalties. *Amortization* per ounce decreased 10% due to higher ounces produced.

La Herradura, Mexico. Gold production increased 2% due to higher production from Noche Buena and Centauro essentially offset by lower production from Soledad and Dipolos. *Costs applicable to sales* per ounce increased 26% due to higher waste mining compared to prior year quarter. *Amortization* per ounce increased 69% due to the purchase

of equipment in late 2012 and early 2013.

First nine months 2013 compared to 2012

Nevada, USA. Gold production decreased 3% due to lower grade and recovery at Mill 5, Mill 6, and lower throughput and grade at the Twin Creeks Autoclave partially offset by higher tons and grade at the Juniper and Phoenix mills as well as higher leach production from Emigrant and Carlin North Area. *Costs applicable to sales* per ounce decreased 2% due to lower royalties partially offset by lower production. *Amortization* per ounce increased 12% due to lower production.

La Herradura, Mexico. Gold production decreased 2% due to lower leach placement partially offset by slightly higher grade. *Costs applicable to sales* per ounce increased 29% due to higher waste tons mined in combination with lower production. *Amortization* per ounce increased 37% due to lower production and the purchase of equipment in late 2012 and early 2013.

We expect gold production in North America of 1.9 to 2.0 million ounces at *Costs applicable to sales* per ounce of \$600 to \$650 in 2013.

Table of Contents**South America Operations**

	Gold Ounces Produced		Costs Applicable to Sales ⁽¹⁾		Amortization		All-In Sustaining Costs ⁽²⁾	
	2013	2012	2013	2012	2013	2012	2013	2012
	(in thousands)		(\$ per ounce)		(\$ per ounce)		(\$ per ounce)	
Three Months Ended September 30,								
Yanacocha	256	354	\$ 591	\$ 520	\$ 333	\$ 233	\$ 996	\$ 1,017
Attributable to Newmont:								
Yanacocha (51.35%)	132	182						
La Zanja (46.94%)	17	14						
	149	196						

	Gold Ounces Produced		Costs Applicable to Sales ⁽¹⁾		Amortization		All-In Sustaining Costs ⁽²⁾	
	2013	2012	2013	2012	2013	2012	2013	2012
	(in thousands)		(\$ per ounce)		(\$ per ounce)		(\$ per ounce)	
Nine Months Ended September 30,								
Yanacocha	833	1,110	\$ 608	\$ 481	\$ 304	\$ 179	\$ 931	\$ 938
Attributable to Newmont:								
Yanacocha (51.35%)	428	570						
La Zanja (46.94%)	49	40						
	477	610						

(1) Excludes *Amortization* and *Reclamation and remediation*.

(2) All-In Sustaining Costs is a non-GAAP financial measure. See page 68 for a reconciliation.

Third quarter 2013 compared to 2012

Yanacocha, Peru. Gold production decreased 28% due to lower leach production as a result of placing lower grade leach ore from El Tapado Oeste partially offset by higher mill grade from El Tapado Oeste. *Costs applicable to sales* per ounce increased 14% due to higher mining costs related to the commencement of production at Cerro Negro and El Tapado Oeste in the fourth quarter of 2012 and leach pad write-downs at La Quinua, Yanacocha, and Maqui Maqui. *Amortization* per ounce increased 43% due to the portion of the leach pad write-down associated with amortization, lower production, and higher asset retirement costs.

First nine months 2013 compared to 2012

Yanacocha, Peru. Gold production decreased 25% due to lower mill and leach production associated with the completion of mining at El Tapado and certain areas at Chaquicocha during 2012. *Costs applicable to sales* per ounce increased 26% due primarily to a leach pad write-down and lower ounces produced partially offset by lower workers participation expense. *Amortization* per ounce increased 70% due to the portion of the leach pad write-down associated with amortization, lower production, and higher asset retirement costs.

We expect attributable gold production in South America of approximately 550 to 600 ounces at consolidated *Costs applicable to sales* per ounce of \$650 to \$700 in 2013, including the leach pad write-downs discussed above.

Table of Contents*Australia/New Zealand**Operations*

	Gold or Copper Produced		Costs Applicable to Sales⁽¹⁾		Amortization		All-In Sustaining Costs⁽³⁾	
	2013	2012	2013	2012	2013	2012	2013	2012
	(ounces in thousands)		(\$ per ounce)		(\$ per ounce)		(\$ per ounce)	
Three Months Ended September 30, Gold								
Boddington	178	166	\$ 1,031	\$ 928	\$ 190	\$ 222	\$ 1,197	\$ 1,066
Other Australia/New Zealand	275	222	756	931	209	157	996	1,389
Total/Weighted-Average	453	388	\$ 854	\$ 930	\$ 202	\$ 185	\$ 1,068	\$ 1,248
Attributable to Newmont ⁽²⁾	467	395						

	(pounds in millions)		(\$ per pound)		(\$ per pound)	
Copper						
Boddington	15	16	\$ 2.23	\$ 2.29	\$ 0.38	\$ 0.41

	Gold or Copper Produced		Costs Applicable to Sales⁽¹⁾		Amortization		All-In Sustaining Costs⁽³⁾	
	2013	2012	2013	2012	2013	2012	2013	2012
	(ounces in thousands)		(\$ per ounce)		(\$ per ounce)		(\$ per ounce)	
Nine Months Ended September 30, Gold								
Boddington	525	508	\$ 1,071	\$ 886	\$ 240	\$ 233	\$ 1,204	\$ 1,032
Other Australia/New Zealand	753	694	939	850	208	153	1,209	1,279
Total/Weighted-Average	1,278	1,202	\$ 995	\$ 866	\$ 221	\$ 187	\$ 1,207	\$ 1,173
Attributable to Newmont ⁽²⁾	1,321	1,218						

	(pounds in millions)		(\$ per pound)		(\$ per pound)	
Copper						
Boddington	50	48	\$ 2.65	\$ 2.33	\$ 0.55	\$ 0.54

⁽¹⁾ Excludes *Amortization* and *Reclamation and remediation*.

- (2) Includes 14 and 7 attributable ounces in the third quarter 2013 and 2012, respectively, and 43 and 16 attributable ounces in the first nine months of 2013 and 2012, respectively, from our interest in Duketon.
- (3) All-In Sustaining Costs is a non-GAAP financial measure. See page 68 for a reconciliation.

Third quarter 2013 compared to 2012

Boddington, Australia. Gold production increased 7% due to higher throughput and recovery partially offset by lower ore grade milled. Copper production decreased 6% due to lower mill grade. Gold *Costs applicable to sales* increased 11% per ounce due to a stockpile write-down partially offset by higher production. Copper *Costs applicable to sales* per pound was marginally lower than the prior year. *Amortization* decreased 14% per ounce and 7% per pound due primarily to the asset impairment during the second quarter.

Other Australia/New Zealand. Gold production increased 24% due to higher mill throughput and ore grade from underground sources at Tanami, higher throughput at Waihi, and higher grade and throughput at Kalgoorlie partially offset by lower grade at Jundee. *Costs applicable to sales* per ounce decreased 19% due to higher gold production from Tanami, Waihi and Kalgoorlie partially offset by lower production and higher operating costs at Jundee. *Amortization* per ounce increased 33% due to an increase in capitalized mine development at Jundee partially offset by higher production.

First nine months 2013 compared to 2012

Boddington, Australia. Gold production increased 3% due to higher mill grade and recovery partially offset by lower throughput. Copper production increased 4% due to higher mill grade. Gold *Costs applicable to sales* increased 21% per ounce due to stockpile write-downs. Copper *Costs applicable to sales* increased 14% per pound due primarily to stockpile write-downs partially offset by higher copper production. *Amortization* increased 3% per ounce and 2% per pound due to the portion of the stockpile write-down that is associated with amortization.

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Other Australia/New Zealand. Gold production increased 9% due to higher mill throughput and higher ore grade milled at Tanami from higher underground ore availability and grades as well as higher throughput at Waihi partially offset by lower production from Kalgoorlie and Jundee. *Costs applicable to sales* per ounce increased 10% due to a stockpile write-down in the second quarter and higher operating costs at Jundee partially offset by higher production. *Amortization* per ounce increased 36% mainly due to higher capitalized mine development costs at Jundee partially offset by higher production.

We expect attributable gold production for Australia/New Zealand to be 1.6 to 1.7 million ounces at *Costs applicable to sales* per ounce of \$1,000 to \$1,100, including the stockpile write-downs discussed above. We now expect our attributable copper production to be 60 to 70 million pounds at consolidated *Costs applicable to sales* per pound of \$2.75 to \$2.95 in 2013, including the stockpile write-downs discussed above. The copper production outlook has been revised due to lower than expected mill throughput.

Indonesia Operations

	Gold or Copper Produced		Costs Applicable to Sales⁽¹⁾		Amortization		All-In Sustaining Costs⁽³⁾	
	2013	2012	2013	2012	2013	2012	2013	2012
	(ounces in thousands)		(\$ per ounce)		(\$ per ounce)		(\$ per ounce)	
Three Months Ended September 30,								
Gold								
Batu Hijau	9	16	\$ 846	\$ 1,115	\$ 178	\$ 223	\$ 1,071	\$ 1,667
Attributable to Newmont ⁽²⁾	4	7						
	(pounds in millions) <td colspan="2">(\$ per pound) <td colspan="2">(\$ per pound) <td colspan="2"></td> </td></td>		(\$ per pound) <td colspan="2">(\$ per pound) <td colspan="2"></td> </td>		(\$ per pound) <td colspan="2"></td>			
Copper								
Batu Hijau	39	39	\$ 2.74	\$ 2.38	\$ 0.55	\$ 0.48		
Attributable to Newmont	19	19						
	Gold or Copper Produced		Costs Applicable to Sales⁽¹⁾		Amortization		All-In Sustaining Costs⁽³⁾	
	2013	2012	2013	2012	2013	2012	2013	2012
	(ounces in thousands)		(\$ per ounce)		(\$ per ounce)		(\$ per ounce)	
Nine Months Ended September 30,								
Gold								
Batu Hijau	36	54	\$ 2,487	\$ 985	\$ 541	\$ 193	\$ 2,909	\$ 1,521

Attributable to Newmont⁽²⁾ 17 26

	(pounds in millions)		(\$ per pound)		(\$ per pound)	
Copper						
Batu Hijau	115	124	\$ 5.60	\$ 2.19	\$ 1.10	\$ 0.42
Attributable to Newmont	56	60				

(1) Excludes *Amortization* and *Reclamation and remediation*.

(2) Our 48.5% economic interest.

(3) All-In Sustaining Costs is a non-GAAP financial measure. See page 68 for a reconciliation.

Third quarter 2013 compared to 2012

Batu Hijau, Indonesia. Gold production decreased 44% due to processing lower grade ore, lower recovery, and lower mill throughput. Copper production was in line with prior year quarter due to higher copper mill recovery offset by lower mill throughput. Total tons mined increased by 12% as Phase 6 waste removal continues as planned. *Costs applicable to sales* decreased 24% per ounce due to lower costs allocated to gold on a co-product basis, lower operating costs and royalties, partially offset by lower production. *Costs applicable to sales* increased 15% per pound due to higher costs allocated to copper on a co-product basis. *Amortization* decreased 20% per ounce and increased 15% per pound due to a higher allocation of costs to copper on a co-product basis.

First nine months 2013 compared to 2012

Batu Hijau, Indonesia. Gold production decreased 33% due to lower ore grade and lower gold mill recovery. Copper production decreased 7% due to lower ore grade partially offset by higher copper mill recovery. Total tons mined increased 9% as Phase 6 waste removal continues as planned. *Costs applicable to sales* increased 152% per ounce and 156% per pound due to the stockpile write-down in the second quarter and lower production. *Amortization* increased 180% per ounce and 162% per pound due to the portion of the second quarter stockpile and inventory write-downs associated with amortization.

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We expect attributable gold production for Indonesia to be 20,000 to 30,000 ounces at *Costs applicable to sales* per ounce of \$2,100 to \$2,300, including stockpile and inventory write-downs discussed above. We now expect our attributable copper production to be 70 to 75 million pounds at consolidated *Costs applicable to sales* per pound of \$4.70 to \$5.10 in 2013, including stockpile and inventory write-downs discussed above. The copper production has been revised due to lower than expected mill throughput and grades.

Africa Operations

	Gold Ounces Produced		Costs Applicable to Sales ⁽¹⁾		Amortization		All-In Sustaining Costs ⁽²⁾	
	2013	2012	2013	2012	2013	2012	2013	2012
	(in thousands)		(\$ per ounce)		(\$ per ounce)		(\$ per ounce)	
Three Months Ended September 30,								
Ahafo	144	131	\$ 513	\$ 561	\$ 129	\$ 146	\$ 801	\$ 992
Attributable to Newmont	144	131	\$ 513	\$ 561				

	Gold Ounces Produced		Costs Applicable to Sales ⁽¹⁾		Amortization		All-In Sustaining Costs ⁽²⁾	
	2013	2012	2013	2012	2013	2012	2013	2012
	(in thousands)		(\$ per ounce)		(\$ per ounce)		(\$ per ounce)	
Nine Months Ended September 30,								
Ahafo	408	438	\$ 554	\$ 571	\$ 137	\$ 137	\$ 941	\$ 877
Attributable to Newmont	408	438	\$ 554	\$ 571				

(1) Excludes *Amortization* and *Reclamation and remediation*.

(2) All-In Sustaining Costs is a non-GAAP financial measure. See page 68 for a reconciliation.

Third quarter 2013 compared to 2012

Ahafo, Ghana. Gold production increased 10% due to higher mill recovery partially offset by lower grade. *Costs applicable to sales* per ounce decreased 9% due to higher ounces produced partially offset by higher mining and milling costs. *Amortization* per ounce decreased 12% due primarily to higher ounces produced.

First nine months 2013 compared to 2012

Ahafo, Ghana. Gold production decreased 7% due to lower mill grade partially offset by higher mill recovery. *Costs applicable to sales* per ounce decreased 3% from higher ore tons mined partially offset by higher royalties and lower ounces produced.

We expect gold production in Africa to be 625,000 to 675,000 ounces at *Costs applicable to sales* per ounce of \$525 and \$575 in 2013.

Foreign Currency Exchange Rates

Our foreign operations sell their gold and copper production based on U.S. dollar metal prices. Approximately 45% and 47% of our *Costs applicable to sales* were paid in local currencies during the third quarter of 2013 and 2012, respectively. Approximately 49% and 45% of our *Costs applicable to sales* were paid in local currencies during the first nine months of 2013 and 2012, respectively. Variations in the local currency exchange rates in relation to the U.S. dollar at our foreign mining operations did not have a significant impact on our *Costs applicable to sales* per ounce, net of hedging gains, during the third quarter and first nine months of 2013 compared to the same periods in 2012.

Table of Contents**Liquidity and Capital Resources*****Cash Provided from Operating Activities***

Net cash provided from continuing operations was \$1,175 in the first nine months of 2013, a decrease of \$367 from the first nine months of 2012, primarily due to lower gold production and a lower average realized gold price partially offset by a net decrease in operating assets and liabilities. The decrease in net operating assets and liabilities of \$481 in the first nine months of 2013 compared to the first nine months of 2012 is due to decreases in accounts receivable and other assets and increases to accounts payable and other accrued liabilities.

Investing Activities

Net cash used in investing activities decreased to \$937 during the first nine months of 2013 compared to \$2,451 during the same period of 2012, respectively. Additions to property, plant and mine development were as follows:

	Nine Months Ended September 30,	
	2013	2012
North America:		
Nevada	\$ 360	\$ 489
La Herradura	82	50
Other North America	1	31
	443	570
South America:		
Yanacocha	136	392
Conga	184	467
Other South America	65	54
	385	913
Australia/New Zealand:		
Boddington	81	77
Other Australia/New Zealand	123	226
	204	303
Indonesia:		
Batu Hijau	82	98
	82	98
Africa:		
Ahafo	139	176
Akyem	209	305

	348	481
Corporate and Other	7	22
Accrual basis	1,469	2,387
Decrease (increase) in accrued capital expenditures	59	7
Cash basis	\$ 1,528	\$ 2,394

Capital expenditures in North America during the first nine months of 2013 primarily related to the construction of the Phoenix Copper Leach project, the development of the Turf Vent Shaft project, surface and underground mine development and infrastructure improvements in Nevada, as well as mill expansion capital in Mexico. Capital expenditures in South America were primarily related to the Conga and Merian projects, surface mine development, leach pad and other infrastructure improvements and equipment purchases. The majority of capital expenditures in Australia and New Zealand were for underground mine development, tailings facility construction, mining equipment purchases and infrastructure improvements. Capital expenditures in Batu Hijau were primarily for equipment and equipment component purchases. Capital expenditures in Africa were related to Akyem development, the Subika expansion project and the Ahafo Mill expansion project, as well as equipment purchases and surface mine development at Ahafo. We now expect 2013 consolidated capital expenditures to be \$2,000 to \$2,200 (\$1,700 to \$1,900 attributable to Newmont).

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Capital expenditures in North America during the first nine months of 2012 were primarily related to the construction of the Phoenix Secondary Crusher, the development of the Emigrant mine and the Phoenix copper leach project, surface mine development, the Noche Buena mine in Mexico and other equipment purchases, infrastructure improvements and a strategic land purchase in Nevada. Capital expenditures in South America were primarily related to the Conga and Merian projects and Yanacocha leach pad development, surface mine development and equipment purchases. The majority of capital expenditures in Indonesia and Australia/New Zealand were for surface and underground development, mining equipment and infrastructure improvements. Capital expenditures in Africa were primarily related to Akyem development and the Subika expansion and mill expansion projects at Ahafo.

Acquisitions, net. During the first nine months of 2013 and 2012, we paid \$13 and \$22 in contingent payments in accordance with the 2009 Boddington acquisition agreement.

Proceeds from the sale of marketable securities. During the first nine months of 2013 we received \$588 primarily from the sale of Canadian Oil Sands securities. During the first nine months of 2012 we received \$209 from the sale of corporate marketable debt securities.

Purchases of marketable securities. During the first nine months of 2013 we purchased marketable equity securities of \$1 compared to \$209 of corporate marketable debt securities purchased during the first nine months of 2012.

Proceeds from sale of other assets. During the first nine months of 2013, we received \$55 primarily from the sale of equipment at Conga. During the first nine months of 2012 we received \$13 primarily from the sale of land and other assets.

Financing Activities

Net cash provided from (used in) financing activities was \$(292) and \$709 during the first nine months of 2013 and 2012, respectively.

Proceeds from and repayment of debt. During the first nine months of 2013, we received net proceeds from debt of \$1,262 from our revolving credit facilities and other short-term debt. Proceeds from the issuance of debt were partially offset by the payments of \$1,060 on our revolving credit facility. During the first nine months of 2012, we received net proceeds from debt of \$3,343, including \$1,246 under our revolving credit facility, \$1,479 from the issuance of senior notes due in 2022 and \$983 from the issuance of senior notes due in 2042. Proceeds from the issuance of debt in 2012 were partially offset by the settlement of forward starting interest rate swaps of \$362, repayment of \$1,285 under our revolving credit facility, \$517 for repayment of the 2012 Convertible Senior Notes and \$150 related to exercising the early purchase option related to the sale-leaseback of the refractory ore treatment plant in Nevada (classified as a capital lease). At September 30, 2013, \$173 of the \$3,000 Corporate revolving credit facility were used to secure the issuance of letters of credit, primarily supporting reclamation obligations (see *Off-Balance Sheet Arrangements* below).

Scheduled minimum debt repayments are \$27 for the remainder of 2013, \$565 in 2014, \$11 in 2015, \$11 in 2016, \$857 in 2017 and \$5,065 thereafter. We expect to be able to fund debt maturities and capital expenditures from *Net cash provided by operating activities*, short-term investments, existing cash balances and available credit facilities.

At September 30, 2013 and 2012, we were in compliance with all required debt covenants and other restrictions related to debt agreements.

Payment of conversion premium on debt. In February 2012, we elected to pay in cash a conversion premium of \$172 upon repayment of the 2012 Convertible Senior Notes in lieu of issuing common shares.

Proceeds from stock issuance, net. We received proceeds of \$2 and \$20 during the first nine months of 2013 and 2012, respectively, from the issuance of common stock, primarily related to employee stock sales and option exercises.

Sale of noncontrolling interests. We received \$32 in proceeds, net of transaction costs, during the first nine months of 2013 related to the TMAC transaction.

Acquisition of noncontrolling interests. In the first nine months of 2013, we advanced certain funds to PTPI, an unrelated noncontrolling shareholder of PTNNT, in accordance with a loan agreement. Our economic interest in PTNNT did not change as a result of these transactions.

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Dividends paid to noncontrolling interests. We paid dividends of \$2 and \$3 to noncontrolling interests during the first half of 2013 and 2012, respectively.

Dividends paid to common stockholders. We declared regular quarterly dividends totaling \$1.025 and \$1.05 per common share for the nine months ended September 30, 2013 and 2012, respectively. Additionally, Newmont Mining Corporation of Canada Limited, a subsidiary of the Company, declared regular quarterly dividends on its exchangeable shares totaling C\$1.0485 per share through September 30, 2013 and C\$1.0532 through September 30, 2012. We paid dividends of \$509 and \$521 to common stockholders in the first nine months of 2013 and 2012, respectively.

Discontinued Operations

Net operating cash used in discontinued operations was \$14 and \$12 in the first nine months of 2013 and 2012, respectively, related to payments on the Holt property royalty.

Off-Balance Sheet Arrangements

We have the following off-balance sheet arrangements: operating leases (as discussed in Note 28 to the Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2012, filed on February 22, 2013) and \$1,807 of outstanding letters of credit, surety bonds and bank guarantees (see Note 26 to the Condensed Consolidated Financial Statements).

We also have sales agreements to sell copper and gold concentrates at market prices as follows (in thousands of tons):

	2013	2014	2015	2016	2017	Thereafter
Batu Hijau	103	529				
Boddington	55	187	165	165	165	165
Nevada	50	48	41	71		
	208	764	206	236	165	165

Other Liquidity Matters

At September 30, 2013, the Company had \$1,475 in cash and cash equivalents, of which \$1,264 was held in foreign subsidiaries and is primarily held in U.S. dollar denominated accounts with the remainder in foreign currencies readily convertible to U.S. dollars. At September 30, 2013, \$463 of the consolidated cash and cash equivalents was attributable to noncontrolling interests primarily related to our Indonesian and Peruvian operations which is being held to fund those operations and development projects. At September 30, 2013, \$324 in consolidated cash and cash equivalents (\$209 attributable to Newmont) was held at certain foreign subsidiaries that, if repatriated may be subject to withholding taxes, which would generate foreign tax credits in the U.S. As a result, we expect that there would be minimal U.S. tax liability upon repatriation of these amounts after considering available foreign tax credits. All other amounts represent earnings that are taxed in the U.S. on a current basis due to being held in U.S. subsidiaries or non-U.S. subsidiaries that are flow-through entities for U.S. tax purposes.

We believe that our liquidity and capital resources from U.S. operations and flow-through foreign subsidiaries are adequate to fund our U.S. operations and corporate activities.

Environmental

Our mining and exploration activities are subject to various federal and state laws and regulations governing the protection of the environment. 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. At September 30, 2013 and December 31, 2012, \$1,371 and \$1,341, respectively, were accrued for reclamation costs relating to currently or recently producing mineral properties.

In addition, we are involved in several matters concerning environmental obligations associated with former mining activities. Based upon our best estimate of our liability for these matters, \$181 and \$198 were accrued for such obligations at September 30, 2013 and December 31, 2012, respectively. We spent \$23 and \$32 during the first nine months of 2013 and 2012, respectively, for environmental obligations related to the former, primarily historic, mining activities and have classified \$18 as a current liability at September 30, 2013.

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During the first nine months of 2013 and 2012, capital expenditures were approximately \$69 and \$132, respectively, to comply with environmental regulations. Ongoing costs to comply with environmental regulations have not been a significant component of operating costs.

For more information on the Company's reclamation and remediation liabilities, see Notes 4 and 26 to the Condensed Consolidated Financial Statements.

Accounting Developments

For a discussion of Recently Adopted and Recently Issued Accounting Pronouncements, see Note 2 to the Condensed Consolidated Financial Statements.

Non-GAAP Financial Measures

Non-GAAP financial measures are intended to provide additional information only and do not have any standard meaning prescribed by generally accepted accounting principles (GAAP). These measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP.

Adjusted net income (loss)

Management of the Company uses *Adjusted net income (loss)* to evaluate the Company's operating performance, and for planning and forecasting future business operations. The Company believes the use of *Adjusted net income (loss)* allows investors and analysts to compare results of the continuing operations of the Company and its direct and indirect subsidiaries relating to the production and sale of minerals to similar operating results of other mining companies, by excluding exceptional or unusual items. Management's determination of the components of *Adjusted net income (loss)* are evaluated periodically and based, in part, on a review of non-GAAP financial measures used by mining industry analysts. *Net income (loss) attributable to Newmont stockholders* is reconciled to *Adjusted net income (loss)* as follows:

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2013	2012	2013	2012
Net income (loss) attributable to Newmont stockholders	\$ 408	\$ 367	\$ (1,296)	\$ 1,136
Loss (income) from discontinued operations	21	33	(53)	104
Impairments	29	7	1,530	38
Tax valuation allowance			535	
TMAC transaction costs			30	
Restructuring and other	12	20	28	20
Asset sales	(243)	(1)	(243)	(8)
Boddington contingent consideration				8
Adjusted net income	\$ 227	\$ 426	\$ 531	\$ 1,298
Adjusted net income per share, basic	\$ 0.46	\$ 0.86	\$ 1.07	\$ 2.62
Adjusted net income per share, diluted	\$ 0.46	\$ 0.85	\$ 1.07	\$ 2.60

Net income (loss) attributable to Newmont stockholders for the three and nine months ended September 30, 2013 was impacted by stockpile and leach pad write-downs of \$35 and \$310, respectively, net of tax and minority interest, which is not reflected in the table above.

Table of Contents*Costs applicable to sales per ounce/pound*

Costs applicable to sales per ounce/pound are non-GAAP financial measures. These measures are calculated by dividing the costs applicable to sales of gold and copper by gold ounces or copper pounds sold, respectively. These measures are calculated on a consistent basis for the periods presented on both a consolidated and attributable to Newmont basis. Attributable costs applicable to sales are based on our economic interest in production from our mines. For operations where we hold less than a 100% economic share in the production, we exclude the share of gold or copper production attributable to the noncontrolling interest. We include attributable costs applicable to sales per ounce/pound to provide management, investors and analysts with information with which to compare our performance to other gold producers. Costs applicable to sales per ounce/pound statistics are intended to provide additional information only and do not have any standardized meaning prescribed by GAAP and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. The measures are not necessarily indicative of operating profit or cash flow from operations as determined under GAAP. Other companies may calculate these measures differently.

Net attributable costs applicable to sales per ounce measures the benefit of copper produced in conjunction with gold, as a credit against the cost of producing gold. A number of other gold producers present their costs net of the contribution from copper and other non-gold sales. We believe that including a measure on this basis provides management, investors and analysts with information with which to compare our performance to other gold producers, and to better assess the overall performance of our business. In addition, this measure provides information to enable investors and analysts to understand the importance of non-gold revenues to our cost structure.

The following tables reconcile these non-GAAP measures to the most directly comparable GAAP measures.

Costs applicable to sales per ounce

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Costs applicable to sales:				
Consolidated per financial statements ⁽¹⁾	\$ 885	\$ 950	\$ 3,012	\$ 2,746
Noncontrolling interests ⁽²⁾	(81)	(99)	(289)	(278)
Attributable to Newmont	\$ 804	\$ 851	\$ 2,723	\$ 2,468
Gold sold (thousand ounces):				
Consolidated	1,365	1,370	3,948	4,138
Noncontrolling interests ⁽²⁾	(135)	(181)	(424)	(554)
Attributable to Newmont	1,230	1,189	3,524	3,584
Costs applicable to sales per ounce:				
Consolidated	\$ 649	\$ 693	\$ 763	\$ 664
Attributable to Newmont	\$ 654	\$ 716	\$ 773	\$ 689

- (1) Includes by-product credits of \$67 and \$155 in the third quarter and first nine months of 2013, respectively and \$57 and \$165 in the third quarter and first nine months of 2012, respectively.
- (2) Relates to partners' interests in Batu Hijau and Yanacocha.

Table of Contents**Costs applicable to sales per pound**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Costs applicable to sales:				
Consolidated per financial statements ⁽¹⁾	\$ 151	\$ 138	\$ 721	\$ 361
Noncontrolling interests ⁽²⁾	(63)	(51)	(300)	(131)
Attributable to Newmont	\$ 88	\$ 87	\$ 421	\$ 230
Copper sold (million pounds):				
Consolidated	57	58	156	162
Noncontrolling interests ⁽²⁾	(22)	(21)	(53)	(59)
Attributable to Newmont	35	37	103	103
Costs applicable to sales per pound:				
Consolidated	\$ 2.63	\$ 2.38	\$ 4.61	\$ 2.23
Attributable to Newmont	\$ 2.56	\$ 2.35	\$ 4.09	\$ 2.23

(1) Includes by-product credits of \$1 and \$3 in the third quarter and first nine months of 2013, respectively and \$3 and \$8 in the third quarter and first nine months of 2012, respectively.

(2) Relates to partners' interests in Batu Hijau.

Net attributable costs applicable to sales per ounce

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Attributable costs applicable to sales:				
Gold	\$ 804	\$ 851	\$ 2,723	\$ 2,468
Copper	88	87	421	230
	892	938	3,144	2,698
Copper revenue:				
Consolidated	(178)	(206)	(461)	(569)
Noncontrolling interests ⁽¹⁾	70	75	157	209
	(108)	(131)	(304)	(360)
Net attributable costs applicable to sales	\$ 784	\$ 807	\$ 2,840	\$ 2,338

Attributable gold ounces sold (thousands)	1,230	1,189	3,524	3,584
Net attributable costs applicable to sales per ounce	\$ 637	\$ 679	\$ 806	\$ 652

(1) Relates to partners' interests in Batu Hijau.

Table of Contents*All-In Sustaining Costs*

Newmont has worked to develop a metric that expands on GAAP measures such as cost of goods sold and non-GAAP measures to provide visibility into the economics of our gold mining operations related to expenditures, operating performance and the ability to generate cash flow from operations.

Current GAAP-measures used in the gold industry, such as cost of goods sold, do not capture all of the expenditures incurred to discover, develop, and sustain gold production. Therefore, we believe that all-in sustaining costs and attributable all-in sustaining costs are non-GAAP measures that provide additional information to management, investors, and analysts that aid in the understanding of the economics of our operations and performance compared to other gold producers and in the investor's visibility by better defining the total costs associated with producing gold.

All-in sustaining cost (AISC) amounts are intended to provide additional information only and do not have any standardized meaning prescribed by GAAP and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. The measures are not necessarily indicative of operating profit or cash flow from operations as determined under GAAP. Other companies may calculate these measures differently as a result of differences in the underlying accounting principles, policies applied and in accounting frameworks such as in International Financial Reporting Standards (IFRS), or by reflecting the benefit from selling non-gold metals as a reduction to AISC. Differences may also arise related to definitional differences of sustaining versus development capital activities based upon each company's internal policies.

The following disclosure provides information regarding the adjustments made in determining the All-in sustaining costs measure:

Cost Applicable to Sales Includes all direct and indirect costs related to current gold production incurred to execute the current mine plan. It is accounted for on an accrual basis and excludes *Amortization and Reclamation and remediation*, which is consistent with our presentation of *Costs Applicable to Sales* (CAS) on the Statement of Consolidated Income. In determining All-in sustaining costs, only the CAS associated with producing and selling an ounce of gold is included in the measure. Therefore, the amount of gold CAS included in AISC is derived from the CAS presented in the Company's Statement of Consolidated Income less the amount of CAS attributable to the production of copper at our Boddington and Batu Hijau mines. The copper CAS at those mine sites is disclosed in Note 3 Segments that accompanies the Consolidated Financial Statements. The allocation of CAS between gold and copper at the Boddington and Batu Hijau mines is based upon the relative percentage of copper and gold sold during the period.

Remediation Costs Includes accretion expense related to asset retirement obligations (ARO) and the amortization of the related Asset Retirement Cost (ARC) for the Company's operating properties recorded as an ARC asset. Accretion related to ARO and the amortization of the ARC assets for reclamation and remediation do not reflect annual cash outflows but are calculated in accordance with GAAP. The accretion and amortization reflect the periodic costs of reclamation and remediation associated with current gold production and are therefore included in the measure. The allocation of these costs to gold and copper is determined using the same allocation used in the allocation of CAS between gold and copper at the Boddington and Batu Hijau mines.

Advanced Projects and Exploration Includes incurred expenses related to projects that are designed to increase or enhance current gold production and gold exploration. We note that as current resources are depleted, exploration and advance projects are necessary for us to replace the depleting reserves or enhance the recovery and processing of the current reserves. As this relates to sustaining our gold production, and is considered a continuing cost of a mining company, these costs are included in the AISC measure. These costs are derived from the *Advanced projects, research*

and development and *Exploration* amounts presented in the Company's Statement of Consolidated Income less the amount attributable to the production of copper at our Boddington and Batu Hijau mines. The allocation of these costs to gold and copper is determined using the same allocation used in the allocation of CAS between gold and copper at the Boddington and Batu Hijau mines.

General and Administrative Includes cost related to administrative tasks not directly related to current gold production, but rather related to support our corporate structure and fulfilling our obligations to operate as a public company. Including these expenses in the AISC metric provides visibility of the impact that general and administrative activities have on current operations and profitability on a per ounce basis.

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Other Expense, net Includes costs related to regional administration and community development to support current gold production. We exclude certain exceptional or unusual expenses from *Other expense, net*, such as restructuring, as these are not indicative to sustaining our current gold operations. Furthermore, this adjustment to *Other expense, net* is also consistent with the nature of the adjustments made to Net income (loss) as disclosed in the Company's non-GAAP financial measure Adjusted net income (loss). The allocation of these costs to gold and copper is determined using the same allocation used in the allocation of CAS between gold and copper at the Boddington and Batu Hijau mines.

Sustaining Capital We determined sustaining capital as those capital expenditures that are necessary to maintain current gold production and execute the current mine plan. Capital expenditures to develop new operations, or related to projects at existing operations where these projects will enhance gold production or reserves, are considered development. We determined the breakout of sustaining and development capital costs based on a systematic review of our project portfolio in light of the nature of each project. Sustaining capital costs are relevant to the AISC metric as these are needed to maintain the Company's current gold operations and provide improved transparency related to our ability to finance these expenditures from current operations. The allocation of these costs to gold and copper is determined using the same allocation used in the allocation of CAS between gold and copper at the Boddington and Batu Hijau mines.

Three Months Ended September 30, 2013	Costs Applied to Sales⁽¹⁾⁽²⁾	Remediation Costs⁽³⁾	Advanced Projects and Exploration⁽⁴⁾	General and Administrative⁽⁴⁾	Other Expense Net⁽⁴⁾	Sustaining Capital⁽⁵⁾	All-In Sustaining Costs	Ounces Sold (000)⁽⁶⁾	All-In Sustaining Costs per ounce
Nevada	\$ 251	\$ 3	\$ 25		\$ 5	\$ 62	\$ 346	479	\$ 722
La Herradura	40		10			11	61	52	1,173
Other North America			1		1	1	3		
North America	291	3	36		6	74	410	531	772
Yanacocha	154	23	9		36	38	260	261	996
Conga			15		3		18		
Other South America			4		(1)		3		
South America	154	23	28		38	38	281	261	1,077
Attributable to Newmont							146	133	1,098
Boddington	152	2	1		1	20	176	147	1,197
Other Australia/New Zealand	202	7	7		8	41	265	266	996
Australia/New Zealand	354	9	8		9	61	441	413	1,068
Batu Hijau	11		1			3	15	14	1,071
Indonesia	11		1			3	15	14	1,071

Attributable to Newmont							8	7	1,071
Ahafo	75		12		7	23	117	146	801
Akyem			2				2		
Other Africa			3				3		
Africa	75		17		7	23	122	146	836
Corporate and Other			36	48	2	1	87		
Consolidated	\$ 885	\$ 35	\$ 126	\$ 48	\$ 62	\$ 200	\$ 1,356	1,365	\$ 993
Attributable to Newmont ⁽⁶⁾							\$ 1,214	1,230	\$ 987

(1) Excludes *Amortization and Reclamation and remediation*.

(2) Includes stockpile and leachpad write-downs of \$3 at Nevada, \$10 at Yanacocha, \$20 at Boddington, and \$2 at Batu Hijau.

(3) Remediation costs include operating accretion and amortization of asset retirement costs.

(4) Other expense, net is adjusted for restructuring of \$20.

(5) Excludes capital expenditures for the following development projects: Phoenix Copper Leach, Turf Vent Shaft, Yanacocha Bio Leach, Conga, Merian, Ahafo Mill Expansion, and Akyem for 2013.

(6) Excludes our attributable production from La Zanja and Duketon.

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Three Months Ended September 30, 2012	Costs Applied to Sales⁽¹⁾⁽²⁾	Remediation Costs⁽³⁾	Advanced Projects and Exploration⁽³⁾	General and Administrative⁽³⁾	Other Expense Net⁽⁴⁾	Sustaining Capital⁽⁵⁾	All-In Sustaining Costs	Ounces Sold (000)⁽⁶⁾	All-In Sustaining Costs per ounce
Nevada	\$ 292	\$ 3	\$ 47	\$	\$ 7	\$ 101	\$ 450	442	\$ 1,018
La Herradura	31		11			10	52	51	1,020
Other North America			1				1		
North America	323	3	59		7	111	503	493	1,020
Yanacocha	185	8	14		13	142	362	356	1,017
Conga			9				9		
Other South America			15		2	(1)	16		
South America	185	8	38		15	141	387	356	1,087
Attributable to Newmont							206	183	1,126
Boddington	155	2	2			19	178	167	1,066
Other Australia/New Zealand	201	6	23		11	59	300	216	1,389
Australia/New Zealand	356	8	25		11	78	478	383	1,248
Batu Hijau	17	1	1		1	5	25	15	1,667
Indonesia	17	1	1		1	5	25	15	1,667
Attributable to Newmont							10	7	1,667
Ahafo	69	1	20		7	25	122	123	992
Akyem			6				6		
Other Africa			3				3		
Africa	69	1	29		7	25	131	123	1,065
Corporate and Other			30	51	6	4	91		
Consolidated	\$ 950	\$ 21	\$ 182	\$ 51	\$ 47	\$ 364	\$ 1,615	1,370	\$ 1,179
Attributable to Newmont ⁽⁶⁾							\$ 1,419	1,189	\$ 1,193

(1) Excludes *Amortization* and *Reclamation and remediation*.

(2) Includes stockpile and leach pad write-downs of \$2 at Yanacocha and \$2 at Other Australia/New Zealand.

(3) Remediation costs include operating accretion and amortization of asset retirement costs.

(4) *Other expense, net* is adjusted for Hope Bay care and maintenance of \$27 and restructuring of \$48.

- (5) Excludes capital expenditures for the following development projects: Phoenix Copper Leach, Turf Vent Shaft, Emigrant, Yanacocha Bio Leach, Conga, Merian, Tanami Shaft, Ahafo Mill Expansion, and Akyem for 2012.
- (6) Excludes our attributable production from La Zanja and Duketon.

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Nine Months Ended September 30, 2013	Costs		Advanced General		Other		All-In		Ounces Sold (000) ⁽⁶⁾	All-In Sustaining Costs per ounce
	Applicable to Sales ⁽¹⁾⁽²⁾	Remediation Costs ⁽³⁾	Projects and Exploration ⁽³⁾	Administrative ⁽³⁾	Expense Net ⁽⁴⁾	Sustaining Capital ⁽⁵⁾	Sustaining Costs			
Nevada	\$ 799	\$ 10	\$ 78	\$	\$ 13	\$ 198	\$ 1,098	1,229	\$ 893	
La Herradura	122		31			61	214	161	1,329	
Other North America			2		4	1	7			
North America	921	10	111		17	260	1,319	1,390	949	
Yanacocha	509	68	32		61	108	778	836	931	
Conga			16		2		18			
Other South America			14				14			
South America	509	68	62		63	108	810	836	969	
Attributable to Newmont							423	429	986	
Boddington	578	5	1		2	64	650	540	1,204	
Other Australia/New Zealand	697	19	31		32	118	897	742	1,209	
Australia/New Zealand	1,275	24	32		34	182	1,547	1,282	1,207	
Batu Hijau	81	1	2		2	10	96	33	2,909	
Other Indonesia					(2)		(2)			
Indonesia	81	1	2			10	94	33	2,848	
Attributable to Newmont							45	16	2,813	
Ahafo	226	2	36		21	98	383	407	941	
Akyem			7				7			
Other Africa			11		1		12			
Africa	226	2	54		22	98	402	407	988	
Corporate and Other			88	158	16	8	270			
Consolidated	\$ 3,012	\$ 105	\$ 349	\$ 158	\$ 152	\$ 666	\$ 4,442	3,948	\$ 1,125	
Attributable to Newmont ⁽⁶⁾							\$ 4,006	3,524	\$ 1,137	

(1) Excludes *Amortization* and *Reclamation and remediation*.

- (2) Includes stockpile and leach pad write-downs of \$3 at Nevada, \$63 at Yanacocha, \$90 at Boddington, \$50 at Other Australia/New Zealand, and \$50 at Batu Hijau.
- (3) Remediation costs include operating accretion and amortization of asset retirement costs.
- (4) *Other expense, net* is adjusted for restructuring of \$50 and TMAC transaction costs of \$45.
- (5) Excludes capital expenditures for the following development projects: Phoenix Copper Leach, Turf Vent Shaft, Yanacocha Bio Leach, Conga, Merian, Ahafo Mill Expansion, and Akyem for 2013.
- (6) Excludes attributable sales from La Zanja and Duketon.

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Nine Months Ended September 30, 2012	Costs		Advanced General		Other Expense, Net ⁽⁴⁾	All-In		Ounces Sold (000) ⁽⁶⁾	Sustaining Costs per ounce
	Applicable to Sales ⁽¹⁾⁽²⁾	Remediation Costs ⁽³⁾	Projects and Exploration	and Administrative		Sustaining Capital ⁽⁵⁾	Sustaining Costs		
Nevada	\$ 817	\$ 9	\$ 124	\$	\$ 17	\$ 404	\$ 1,371	1,236	\$ 1,109
La Herradura	96		28			38	162	164	988
Other North America			2		3		5		
North America	913	9	154		20	442	1,538	1,400	1,099
Yanacocha	523	25	49		48	375	1,020	1,087	938
Conga			48				48		
Other South America			59		2		61		
South America	523	25	156		50	375	1,129	1,087	1,039
Attributable to Newmont							609	558	1,091
Boddington	449	5	6		2	61	523	507	1,032
Other Australia/New Zealand	573	17	66		39	167	862	674	1,279
Australia/New Zealand	1,022	22	72		41	228	1,385	1,181	1,173
Batu Hijau	47	2	3		6	15	73	48	1,521
Other Indonesia					(3)		(3)		
Indonesia	47	2	3		3	15	70	48	1,458
Attributable to Newmont							32	23	1,391
Ahafo	241	3	42		18	66	370	422	877
Akyem			15				15		
Other Africa			8		1		9		
Africa	241	3	65		19	66	394	422	934
Corporate and Other			97	162	19	19	297		
Consolidated	\$ 2,746	\$ 61	\$ 547	\$ 162	\$ 152	\$ 1,145	\$ 4,813	4,138	\$ 1,163
Attributable to Newmont ⁽⁶⁾							\$ 4,255	3,584	\$ 1,187

(1) Excludes *Amortization* and *Reclamation and remediation*.

(2) Includes stockpile and leach pad write-downs of \$5 at Yanacocha and \$22 at Other Australia/New Zealand.

- (3) Remediation costs include operating accretion and amortization of asset retirement costs.
- (4) *Other expense, net* is adjusted for Hope Bay care and maintenance of \$129, Boddington contingent consideration of \$12, and restructuring costs of \$48.
- (5) Excludes capital expenditures for the following development projects: Phoenix Copper Leach, Turf Vent Shaft, Emigrant, Yanacocha Bio Leach, Conga, Merian, Tanami Shaft, Ahafo Mill Expansion, and Akyem for 2012.
- (6) Excludes our attributable production from La Zanja and Duketon.

Table of Contents*Operating margin per ounce/pound*

Operating margin per ounce/pound are non-GAAP financial measures. These measures are calculated by subtracting the costs applicable to sales per ounce of gold and per pound of copper from the average realized gold price per ounce and copper price per pound, respectively. These measures are calculated on a consistent basis for the periods presented on a consolidated basis. Operating margin per ounce/pound statistics are intended to provide additional information only and do not have any standardized meaning prescribed by GAAP and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. The measures are not necessarily indicative of operating profit or cash flow from operations as determined under GAAP. Other companies may calculate these measures differently. Operating margin per ounce/pound is calculated as follows:

	Gold			
	Three Months Ended September 30, 2013		Nine Months Ended September 30, 2012	
Average realized price per ounce	\$ 1,322	\$ 1,659	\$ 1,442	\$ 1,649
Costs applicable to sales per ounce	(649)	(693)	(763)	(664)
	\$ 673	\$ 966	\$ 679	\$ 985

	Copper			
	Three Months Ended September 30, 2013		Nine Months Ended September 30, 2012	
Average realized price per pound	\$ 3.10	\$ 3.55	\$ 2.95	\$ 3.51
Costs applicable to sales per pound	(2.63)	(2.38)	(4.61)	(2.23)
	\$ 0.47	\$ 1.17	\$ (1.66)	\$ 1.28

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 Newmont's 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.

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, 2012, 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.

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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.

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.

Decreases in the market price of gold and copper can also significantly affect the value of our product inventory and stockpiles and it may be necessary to record a write-down to the net realizable value (NRV). NRV represents the estimated future sales price based on short-term and long-term metals prices, less estimated costs to complete production and bring the product to sale. The primary factors that influence the need to record write-downs of stockpiles and product inventory include short-term and long-term metals prices and costs for production inputs such as labor, fuel and energy, materials and supplies, as well as realized ore grades and recovery rates. The significant assumptions in determining the stockpile NRV for each mine site reporting unit at September 30, 2013 included production cost and capitalized expenditure assumptions unique to each operation, a long-term gold price of \$1,400 per ounce, a long-term copper price of \$3.00 per pound and an Australian to U.S. dollar exchange rate of \$ 0.935.

The NRV measurement involves the use of estimates and assumptions unique to each mining operation regarding current and future operating and capital costs, metal recoveries, production levels, commodity prices, proven and probable reserve quantities, engineering data and other factors. A high degree of judgment is involved in determining such assumptions and estimates and no assurance can be given that actual results will not differ significantly from those estimates and assumptions.

Hedging

Our strategy is to provide shareholders with leverage to changes in gold and copper prices by selling our production at spot market prices. Consequently, we do not hedge our gold and copper sales. We have and will continue to manage certain risks associated with commodity input costs, interest rates and foreign currencies using the derivative market.

By using derivatives, we are affected by credit risk, market risk and market liquidity risk. Credit risk is the risk that a third party might fail to fulfill its performance obligations under the terms of a financial instrument. We mitigate credit risk by entering into derivatives with high credit quality counterparties, limiting the amount of exposure to each counterparty, and monitoring the financial condition of the counterparties. Market risk is the risk that the fair value of a derivative might be adversely affected by a change in underlying commodity prices, interest rates, or currency exchange rates, and that this in turn affects our financial condition. We manage market risk by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken. We mitigate this

potential risk to our financial condition by establishing trading agreements with counterparties under which we are not required to post any collateral or make any margin calls on our derivatives. Our counterparties cannot require settlement solely because of an adverse change in the fair value of a derivative. Market liquidity risk is the risk that a derivative cannot be eliminated quickly, by either liquidating it or by establishing an offsetting position. Under the terms of our trading agreements, counterparties cannot require us to immediately settle outstanding derivatives, except upon the occurrence of customary events of default such as covenant breaches, including financial covenants, insolvency or bankruptcy. We further mitigate market liquidity risk by spreading out the maturity of our derivatives over time.

Table of Contents**Cash Flow Hedges**

We utilize foreign currency contracts to reduce the variability of the US dollar amount of forecasted foreign currency expenditures caused by changes in exchange rates. We hedge a portion of our A\$ and NZ\$ denominated operating expenditures which results in a blended rate realized each period. The hedging instruments are fixed forward contracts with expiration dates ranging up to five years from the date of issue. The principal hedging objective is reduction in the volatility of realized period-on-period \$/A\$ and \$/NZ\$ rates, respectively. We use diesel contracts to reduce the variability of our operating cost exposure related to diesel prices of fuel consumed at our Nevada operations. All of the currency, diesel and forward starting swap contracts have been designated as cash flow hedges of future expenditures, and as such, changes in the market value have been recorded in *Accumulated other comprehensive income*. Gains and losses from hedge ineffectiveness are recognized in current earnings.

Foreign Currency Exchange Risk

We had the following foreign currency derivative contracts outstanding at September 30, 2013:

	Expected Maturity Date						Total Average
	2013	2014	2015	2016	2017	2018	
A\$ Operating Fixed Forward Contracts:							
A\$ notional (millions)	323	1,118	848	564	273	44	3,170
Average rate (\$/A\$)	0.95	0.93	0.92	0.92	0.91	0.89	0.93
Expected hedge ratio	87%	71%	55%	37%	18%	7%	
NZ\$ Operating Fixed Forward Contracts:							
NZ\$ notional (millions)	22	59	14				95
Average rate (\$/NZ\$)	0.80	0.80	0.77				0.80
Expected hedge ratio	73%	54%	16%				

The fair value of the A\$ foreign currency operating derivative contracts was a net liability position of \$82 at September 30, 2013 and a net asset position of \$250 at December 31, 2012. The fair value of the NZ\$ foreign currency derivative contracts was a net asset position of \$2 at September 30, 2013 and December 31, 2012.

In order to reduce derivative exposure to a lower Australian dollar, in October 2013 we began closing out certain foreign currency contracts. As of October 25, 2013 we settled approximately A\$2,100 in notional contracts for a net gain of approximately \$46. These gains will be held in Other Comprehensive Income (OCI) as the hedged transactions, A\$ denominated operating costs, are still probable of occurring over the original time period. The amount deferred in OCI will be recognized in earnings over a period of five years as the original hedged transactions occur. From time to time and depending upon business considerations and market conditions, we may consider closing out additional Australian dollar hedging contracts, or conversely, may enter into new Australian dollar hedging contracts.

Diesel Price Risk

We had the following diesel derivative contracts outstanding at September 30, 2013:

	Expected Maturity Date				Total Average
	2013	2014	2015	2016	
Diesel Fixed Forward Contracts:					
Diesel gallons (millions)	7	24	13	3	47
Average rate (\$/gallon)	2.90	2.87	2.77	2.69	2.84
Expected hedge ratio	70%	62%	33%	10%	

The fair value of the diesel derivative contracts was a liability position of \$1 at September 30, 2013 and a net asset position of \$1 at December 31, 2012.

Table of Contents***Forward Starting Swaps***

During 2011, we entered into forward starting interest rate swap contracts with a total notional value of \$2,000. These contracts hedged movements in treasury rates related to a debt issuance that occurred in the first quarter of 2012. On March 8, 2012, we closed the sale of \$2,500 senior notes consisting of 3.5% senior notes due 2022 in the principal amount of \$1,500 (10-year notes), and 4.875% senior notes due 2042 in the principal amount of \$1,000 (30-year notes). As a result, the forward-starting interest rate swaps were settled for \$362, of which \$349 represented the effective portion of the hedging instrument included in *Accumulated other comprehensive income(loss)*. The net proceeds from the debt issuance were adjusted by the settlement amount of the swap contracts and included as a financing activity in the Condensed Consolidated Statements of Cash Flow.

Commodity Price Risk

Our provisional copper and gold sales contain an embedded derivative that is required to be separated from the host contract for accounting purposes. The host contract is the receivable from the sale of the gold and copper concentrates at the prevailing indices prices at the time of sale. The embedded derivative, which does not qualify for hedge accounting, is marked to market through earnings each period prior to final settlement.

London Metal Exchange (LME) copper prices averaged \$3.21 per pound during the three months ended September 30, 2013, compared with the Company's recorded average provisional price of \$3.16 per pound before mark-to-market adjustments and treatment and refining charges. LME copper prices averaged \$3.35 per pound during the nine months ended September 30, 2013, compared with the Company's recorded average provisional price of \$3.30 per pound before mark-to-market adjustments and treatment and refining charges. During the three and nine months ended September 30, 2013, changes in copper prices resulted in a provisional pricing mark-to-market gains of \$14 (\$0.25 per pound) and loss of \$10 (\$0.06 per pound), respectively. At September 30, 2013, Newmont had copper sales of 59 million pounds priced at an average of \$3.31 per pound, subject to final pricing over the next several months. Each \$0.10 change in the price for provisionally priced sales would have an approximate \$2 effect on our net income(loss) attributable to Newmont stockholders. The LME closing settlement price at September 30, 2013 for copper was \$3.31 per pound.

The average London P.M. fix for gold was \$1,326 per ounce during the three months ended September 30, 2013, compared with the Company's recorded average provisional price of \$1,330 per ounce before mark-to-market adjustments and treatment and refining charges. The average London P.M. fix for gold was \$1,456 per ounce during the nine months ended September 30, 2013, compared to the Company's recorded average provisional price of \$1,452 per ounce before mark-to-market adjustments and treatment and refining charges. During the three and nine months ended September 30, 2013, changes in gold prices resulted in a provisional pricing mark-to-market gains of \$9 (\$6 per ounce) and loss of \$13 (\$3 per ounce), respectively. At September 30, 2013, Newmont had gold sales of 50,000 ounces priced at an average of \$1,327 per ounce, subject to final pricing over the next several months. Each \$25 change in the price for provisionally priced gold sales would have an approximately \$1 effect on our net income(loss) attributable to Newmont stockholders. The London P.M. closing settlement price at September 30, 2013 for gold was \$1,327 per ounce.

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.

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Changes in Internal Controls

The Company maintains a system of internal control over financial reporting that is designed to provide reasonable assurance that its books and records accurately reflect transactions and that established policies and procedures are followed. The Company is implementing an enterprise resource planning (ERP) system on a staged basis at its most significant subsidiaries around the world, excluding Indonesia. The Company began the implementation of the ERP system in North America during the second quarter of 2012 and continued with the implementation in South America during the third quarter of 2012, Australia/New Zealand during the fourth quarter of 2012 and Africa in the first quarter of 2013, which resulted in a change to its system of internal control over financial reporting. The Company is implementing the global ERP system to improve standardization and automation, and not in response to a deficiency in its internal control over financial reporting. The Company believes that the implementation of the ERP system and related changes to internal controls will enhance its internal controls over financial reporting while providing the ability to scale its business in the future. See Item 1A in the Company's most recently filed Form 10-K for risk factors related to the implementation and integration of information technology systems. The Company has taken the necessary steps to monitor and maintain appropriate internal control over financial reporting during this period of change and will continue to evaluate the operating effectiveness of related key controls during subsequent periods.

Table of Contents**PART II OTHER INFORMATION****ITEM 1. LEGAL PROCEEDINGS.**

Information regarding legal proceedings is contained in Note 26 to the Condensed Consolidated Financial Statements contained in this Report and is incorporated herein by reference.

ITEM 1A. RISK FACTORS.

There were no material changes to the risk factors disclosed in Item 1A of Part 1 in our Annual Report on Form 10-K for the year ended December 31, 2012, as filed with the SEC on February 22, 2013.

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 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, 2013 through July 31, 2013				N/A
August 1, 2013 through August 31, 2013				N/A
September 1, 2013 through September 30, 2013				N/A

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES

At Newmont, safety is a core value and we strive for superior performance. Our health and safety management system, which includes detailed standards and procedures for safe production, addresses topics such as employee training, risk management, workplace inspection, emergency response, accident investigation and program auditing. In addition to strong leadership and involvement from all levels of the organization, these programs and procedures

form the cornerstone of safety at Newmont, ensuring that employees are provided a safe and healthy environment and are intended to reduce workplace accidents, incidents and losses, comply with all mining-related regulations and provide support for both regulators and the industry to improve mine safety.

In addition, we have established our Rapid Response process to mitigate and prevent the escalation of adverse consequences if existing risk management controls fail, particularly if an incident may have the potential to seriously impact the safety of employees, the community or the environment. This process provides appropriate support to an affected site to complement their technical response to an incident, so as to reduce the impact by considering the environmental, strategic, legal, financial and public image aspects of the incident, to ensure communications are being carried out in accordance with legal and ethical requirements and to identify actions in addition to those addressing the immediate hazards.

The operation of our U.S. based mines is subject to regulation by the Federal Mine Safety and Health Administration (MSHA) under the Federal Mine Safety and Health Act of 1977 (the Mine Act). MSHA inspects our mines on a regular basis and issues various citations and orders when it believes a violation has occurred under the Mine Act. Following passage of The Mine Improvement and New Emergency Response Act of 2006, MSHA significantly increased the numbers of citations and orders charged against mining operations. The dollar penalties assessed for citations issued has also increased in recent years.

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Newmont is required to report certain mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K, and that required information is included in Exhibit 95 and is incorporated by reference into this Quarterly Report.

ITEM 5. OTHER INFORMATION.

None.

ITEM 6. EXHIBITS.

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

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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.

Date: October 31, 2013

NEWMONT MINING CORPORATION

(Registrant)

/s/ LAURIE BRLAS
Laurie Brlas

Executive Vice President and Chief Financial Officer

(Principal Financial Officer)

Date: October 31, 2013

/s/ CHRISTOPHER S. HOWSON
Christopher S. Howson

Vice President and Controller

(Principal Accounting Officer)

Table of Contents**EXHIBIT INDEX**

Exhibit Number	Description
10.1	Amendment Three to the December 31, 2008 restated Savings Equalization Plan of Newmont USA Limited, a wholly owned subsidiary of the Registrant, effective January 1, 2013, filed herewith.
10.2	Amendment Four to the December 31, 2008 restated Savings Equalization Plan of Newmont USA Limited, a wholly owned subsidiary of the Registrant, effective September 1, 2013, filed herewith.
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 Principal 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 the 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 the Principal Financial Officer, filed herewith. ⁽¹⁾
95	Information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, filed herewith.
101	101.INS XBRL Instance
	101.SCH XBRL Taxonomy Extension Schema
	101.CAL XBRL Taxonomy Extension Calculation
	101.LAB XBRL Taxonomy Extension Labels
	101.PRE XBRL Taxonomy Extension Presentation

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