NEWMONT MINING CORP /DE/
Form 10-Q
July 26, 2012
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

Form 10-Q

(Mark One)

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

For the Quarterly Period Ended June 30, 2012

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

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. x 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). x 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 x	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 x No

There were 491,247,996 shares of common stock outstanding on July 18, 2012 (and 4,914,758 exchangeable shares).

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PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

NEWMONT MINING CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(unaudited, in millions except per share)

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Sales (Note 3)	$ 2,229	$ 2,384	$ 4,912	$ 4,849
Costs and expenses				
Costs applicable to sales [1] (Note 3)	1,002	917	2,019	1,857
Amortization	248	250	479	506
Reclamation and remediation (Note 4)	16	43	32	57
Exploration	106	89	194	151
Advanced projects, research and development	82	86	184	154
General and administrative	57	50	111	95
Other expense, net (Note 5)	126	87	246	160
	1,637	1,522	3,265	2,980
Other income (expense)				
Other income, net (Note 6)	36	48	69	79
Interest expense, net	(71)	(63)	(123)	(128)
	(35)	(15)	(54)	(49)
Income before income and mining tax and other items	557	847	1,593	1,820
Income and mining tax expense (Note 9)	(175)	(187)	(518)	(492)
Equity income (loss) of affiliates	(11)		(30)	2
Income from continuing operations	371	660	1,045	1,330
Loss from discontinued operations (Note 10)		(136)	(71)	(136)
Net income	371	524	974	1,194
Net income attributable to noncontrolling interests (Note 11)	(92)	(137)	(205)	(293)
Net income attributable to Newmont stockholders	$ 279	$ 387	$ 769	$ 901
Net income attributable to Newmont stockholders:				
Continuing operations	$ 279	$ 523	$ 840	$ 1,037
Discontinued operations		(136)	(71)	(136)
	$ 279	$ 387	$ 769	$ 901
Income per common share (Note 12)				
Basic:				

Continuing operations	$ 0.56	$ 1.06	$ 1.69	$ 2.10
Discontinued operations		(0.28)	(0.14)	(0.28)
	$ 0.56	$ 0.78	$ 1.55	$ 1.82
Diluted:				
Continuing operations	$ 0.56	$ 1.04	$ 1.67	$ 2.07
Discontinued operations		(0.27)	(0.14)	(0.27)
	$ 0.56	$ 0.77	$ 1.53	$ 1.80
Cash dividends declared per common share	$ 0.35	$ 0.20	$ 0.70	$ 0.35

(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

(unaudited, in millions)

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Net income	$ 371	$ 524	$ 974	$ 1,194
Other comprehensive income (loss):				
Unrealized loss on marketable securities, net of $18, $108, $(5) and $80 tax benefit and (expense), respectively	(273)	(243)	(313)	(75)
Foreign currency translation adjustments	(10)	38		127
Change in pension and other post-retirement benefits, net of $2, $2, $4 and $3 tax expense, respectively	4	4	8	8
Change in fair value of cash flow hedge instruments, net of $8, $163, $(18) and $152 tax benefit and (expense), respectively				
Net change from periodic revaluations	4	162	73	217
Net amount reclassified to income	(24)	(39)	(59)	(72)
Net unrecognized gain (loss) on derivatives	(20)	123	14	145
Other comprehensive income (loss)	(299)	(78)	(291)	205
Comprehensive income	$ 72	$ 446	$ 683	$ 1,399
Comprehensive income attributable to:				
Newmont stockholders	$ (18)	$ 308	$ 478	$ 1,103
Noncontrolling interests	90	138	205	296
	$ 72	$ 446	$ 683	$ 1,399

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)

	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Operating activities:		
Net income	$ 974	$ 1,194
Adjustments:		
Amortization	479	506
Loss from discontinued operations	71	136
Reclamation and remediation	32	57
Deferred income taxes	12	(38)
Stock based compensation and other non-cash benefits	36	44
Impairment of marketable securities	32	1
Gain on asset sales, net	(10)	(53)
Other operating adjustments and write-downs	106	96
Net change in operating assets and liabilities (Note 23)	(768)	(540)
Net cash provided from continuing operations	964	1,403
Net cash used in discontinued operations	(8)	(2)
Net cash provided from operations	956	1,401
Investing activities:		
Additions to property, plant and mine development	(1,578)	(1,020)
Sale of marketable securities	106	55
Purchases of marketable securities	(196)	(15)
Acquisitions, net	(22)	(2,291)
Proceeds from sale of other assets	13	6
Other	(37)	(15)
Net cash used in investing activities	(1,714)	(3,280)
Financing activities:		
Proceeds from debt, net	3,343	775
Repayment of debt	(1,941)	(973)
Payment of conversion premium on debt	(172)	
Dividends paid to common stockholders	(347)	(173)
Dividends paid to noncontrolling interests	(3)	(17)
Proceeds from stock issuance, net	15	8
Other	(1)	
Net cash provided from (used in) financing activities	894	(380)
Effect of exchange rate changes on cash	1	58
Net change in cash and cash equivalents	137	(2,201)
Cash and cash equivalents at beginning of period	1,760	4,056

Cash and cash equivalents at end of period	$ 1,897	$ 1,855

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 June 30, 2012	At December 31, 2011
ASSETS		
Cash and cash equivalents	$ 1,897	$ 1,760
Trade receivables	290	300
Accounts receivable	359	320
Investments (Note 17)	132	94
Inventories (Note 18)	803	714
Stockpiles and ore on leach pads (Note 19)	798	671
Deferred income tax assets	255	396
Other current assets (Note 20)	738	1,133
Current assets	5,272	5,388
Property, plant and mine development, net	16,936	15,881
Investments (Note 17)	1,185	1,472
Stockpiles and ore on leach pads (Note 19)	2,579	2,271
Deferred income tax assets	1,686	1,605
Other long-term assets (Note 20)	1,002	857
Total assets	$ 28,660	$ 27,474
LIABILITIES		
Debt (Note 21)	$ 40	$ 689
Accounts payable	574	561
Employee-related benefits	293	307
Income and mining taxes	173	250
Other current liabilities (Note 22)	1,287	2,133
Current liabilities	2,367	3,940
Debt (Note 21)	6,088	3,624
Reclamation and remediation liabilities (Note 4)	1,270	1,169
Deferred income tax liabilities	2,056	2,147
Employee-related benefits	487	459
Other long-term liabilities (Note 22)	403	364
Total liabilities	12,671	11,703
Commitments and contingencies (Note 26)		
EQUITY		
Common stock	786	784
Additional paid-in capital	8,291	8,408
Accumulated other comprehensive income	361	652
Retained earnings	3,474	3,052
Newmont stockholders equity	12,912	12,896
Noncontrolling interests	3,077	2,875

Total equity	15,989	15,771
Total liabilities and equity	$ 28,660	$ 27,474

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, 2011 filed February 24, 2012 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, NZ$ to New Zealand currency and $ to United States currency.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Recently Adopted Accounting Pronouncements

Goodwill Impairment

In September 2011, ASC guidance was issued related to goodwill impairment. Under the updated guidance, an entity will have the option to first assess qualitatively whether it is necessary to perform the two-step goodwill impairment test. If the Company believes, as a result of its qualitative assessment, that it is more-likely-than-not that the fair value of a reporting unit is less than its carrying amount, the quantitative impairment test is required. Otherwise, no further testing is required. The update does not change how the Company performs the two-step impairment test under previous guidance. The Company s January 1, 2012 adoption of the guidance had no impact on the Company s consolidated financial position, results of operations or cash flows.

Fair Value Accounting

In May 2011, ASC guidance was issued related to disclosures around fair value accounting. The updated guidance clarifies different components of fair value accounting including the application of the highest and best use and valuation premise concepts, measuring the fair value of an instrument classified in a reporting entity s shareholders equity and disclosing quantitative information about the unobservable inputs used in fair value measurements that are categorized in Level 3 of the fair value hierarchy. The Company s January 1, 2012 adoption of the updated guidance had no impact on the Company s 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

	Sales	Costs Applicable to Sales	Amortization	Advanced Projects and Exploration	Pre-Tax Income (Loss)
Three Months Ended June 30, 2012					
Nevada	$ 571	$ 258	$ 47	$ 43	$ 217
La Herradura	93	33	6	11	46
Other North America				1	(54)
North America	664	291	53	55	209
Yanacocha	614	177	62	18	333
Conga				12	(12)
Other South America				19	(19)
South America	614	177	62	49	302
Boddington:					
Gold	264	157	49	NA	NA
Copper	42	38	12	NA	NA
Total	306	195	61	2	37
Batu Hijau:					
Gold	18	11	3	NA	NA
Copper	88	70	14	NA	NA
Total	106	81	17	7	(16)
Other Australia/New Zealand	331	182	33	18	101
Other Asia Pacific			2	4	(9)
Asia Pacific	743	458	113	31	113
Ahafo	208	76	16	11	100
Akyem				5	(5)
Other Africa				3	(2)
Africa	208	76	16	19	93
Corporate and Other			4	34	(160)

Consolidated	$ 2,229	$ 1,002	$ 248	$ 188	$ 557

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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)

	Sales	Costs Applicable to Sales	Amortization	Advanced Projects and Exploration	Pre-Tax Income (Loss)
Three Months Ended June 30, 2011					
Nevada	$ 529	$ 224	$ 56	$ 38	$ 195
La Herradura	81	27	5	3	44
Other North America			4	53	(8)
North America	610	251	65	94	231
Yanacocha	524	190	66	11	232
Conga			1	7	(7)
Other South America				7	(9)
South America	524	190	67	25	216
Boddington:					
Gold	269	117	31	N/A	N/A
Copper	54	27	7	N/A	N/A
Total	323	144	38	2	140
Batu Hijau:					
Gold	92	30	7	N/A	N/A
Copper	242	79	18	N/A	N/A
Total	334	109	25	1	186
Other Australia/New Zealand	375	158	31	10	168
Other Asia Pacific				5	(34)
Asia Pacific	1,032	411	94	18	460
Ahafo	218	65	20	8	119
Akyem				1	(1)
Other Africa				3	(5)
Africa	218	65	20	12	113
Corporate and Other			4	26	(173)
Consolidated	$ 2,384	$ 917	$ 250	$ 175	$ 847

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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)

	Sales	Costs Applicable to Sales	Amortization	Advanced Projects and Exploration	Pre-Tax Income (Loss)	Total Assets	Capital Expenditures(1)
Six Months Ended June 30, 2012							
Nevada	$ 1,294	$ 525	$ 100	$ 77	$ 586	$ 7,280	$ 370
La Herradura	186	65	11	17	91	353	29
Other North America				1	(106)	199	
North America	1,480	590	111	95	571	7,832	399
Yanacocha	1,208	338	112	35	682	2,775	243
Conga				39	(39)	1,462	342
Other South America				44	(44)	44	
South America	1,208	338	112	118	599	4,281	585
Boddington:							
Gold	562	294	81	N/A	N/A	N/A	N/A
Copper	103	68	18	N/A	N/A	N/A	N/A
Total	665	362	99	5	180	4,640	52
Batu Hijau:							
Gold	52	30	6	N/A	N/A	N/A	N/A
Copper	260	155	30	N/A	N/A	N/A	N/A
Total	312	185	36	14	32	3,651	61
Other Australia/New Zealand	758	372	69	33	280	1,348	137
Other Asia Pacific			3	10	(4)	606	8
Asia Pacific	1,735	919	207	62	488	10,245	258
Ahafo	489	172	40	22	250	1,328	108
Akyem				9	(10)	750	189
Other Africa				5	(4)	9	
Africa	489	172	40	36	236	2,087	297
Corporate and Other			9	67	(301)	4,215	37
Consolidated	$ 4,912	$ 2,019	$ 479	$ 378	$ 1,593	$ 28,660	$ 1,576

(1) Includes a decrease in accrued capital expenditures of $2; consolidated capital expenditures on a cash basis were $1,578.

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)	Total Assets	Capital Expenditures(1)
Six Months Ended June 30, 2011							
Nevada	$ 1,111	$ 496	$ 128	$ 55	$ 411	$ 6,797	$ 228
La Herradura	146	45	9	9	80	260	41
Other North America			7	97	(58)	2,294	27
North America	1,257	541	144	161	433	9,351	296
Yanacocha	886	343	119	17	381	2,634	127
Conga			1	10	(11)	562	251
Other South America				14	(15)	37	
South America	886	343	120	41	355	3,233	378
Boddington:							
Gold	501	217	59	N/A	N/A	N/A	N/A
Copper	107	55	14	N/A	N/A	N/A	N/A
Total	608	272	73	3	244	4,419	75
Batu Hijau:							
Gold	232	64	14	N/A	N/A	N/A	N/A
Copper	611	168	38	N/A	N/A	N/A	N/A
Total	843	232	52	1	509	3,513	88
Other Australia/New Zealand	790	324	66	22	365	1,124	134
Other Asia Pacific			1	6	(34)	625	4
Asia Pacific	2,241	828	192	32	1,084	9,681	301
Ahafo	465	145	42	15	255	1,037	37
Akyem				2	(2)	351	67
Other Africa				3	(6)	6	
Africa	465	145	42	20	247	1,394	104
Corporate and Other			8	51	(299)	4,979	18
Consolidated	$ 4,849	$ 1,857	$ 506	$ 305	$ 1,820	$ 28,638	$ 1,097

(1) Includes an increase in accrued capital expenditures of $77; consolidated capital expenditures on a cash basis were $1,020.

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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

At June 30, 2012 and December 31, 2011, $1,145 and $1,070, respectively, were accrued for reclamation obligations relating to mineral 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 June 30, 2012 and December 31, 2011, $191 and $170, 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*:

	Six Months Ended June 30,	
	2012	2011
Balance at beginning of period	$ 1,240	$ 1,048
Additions, changes in estimates and other	105	32
Liabilities settled	(41)	(15)
Accretion expense	32	29
Balance at end of period	$ 1,336	$ 1,094

The current portion of *Reclamation and remediation liabilities* of $66 and $71 at June 30, 2012 and December 31, 2011, respectively, are included in *Other current liabilities* (see Note 22).

The Company s reclamation and remediation expenses consisted of:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Reclamation	$	$ 28	$	$ 28
Accretion - operating	13	13	27	25
Accretion - non-operating	3	2	5	4
	$ 16	$ 43	$ 32	$ 57

NOTE 5 OTHER EXPENSE, NET

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Hope Bay care and maintenance	$ 52	$	$ 102	$
Community development	20	23	51	40
Regional administration	29	21	50	37
Acquisiton costs	12	20	12	21

Western Australia power plant	4	5	8	9
Indonesian value added tax settlement				21
Other	9	18	23	32
	$ 126	$ 87	$ 246	$ 160

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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 6 OTHER INCOME, NET

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Income (loss) from developing projects, net	$ 19	$ (4)	$ 33	$ 20
Reduction of allowance for loan receivable			21	
Canadian Oil Sands	11	10	20	16
Gain on asset sales, net			10	3
Refinery income, net	2		7	
Interest	2	2	7	6
Gain on sale of investments, net		50		50
Foreign currency exchange, net	12	(18)	(3)	(29)
Impairment of marketable securities	(8)	(1)	(32)	(1)
Other	(2)	9	6	14
	$ 36	$ 48	$ 69	$ 79

NOTE 7 EMPLOYEE PENSION AND OTHER BENEFIT PLANS

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Pension benefit costs, net				
Service cost	$ 8	$ 6	$ 15	$ 12
Interest cost	11	10	21	20
Expected return on plan assets	(11)	(11)	(22)	(21)
Amortization	8	7	14	12
	$ 16	$ 12	$ 28	$ 23

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Other benefit costs, net				
Service cost	$	$	$ 1	$ 1
Interest cost	2	1	3	2
	$ 2	$ 1	$ 4	$ 3

NOTE 8 STOCK BASED COMPENSATION

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Stock options	$ 3	$ 7	$ 7	$ 10
Restricted stock units	6	11	11	21
Performance leveraged stock units	3	1	6	3
Strategic stock units	1		1	
	$ 13	$ 19	$ 25	$ 34

NEWMONT MINING CORPORATION

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

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

NOTE 9 INCOME AND MINING TAXES

During the second quarter of 2012, the Company recorded estimated income and mining tax expense of $175 resulting in an effective tax rate of 32%. Estimated income and mining tax expense during the second quarter of 2011 was $187 for an effective tax rate of 22%. During the first half of 2012, estimated income and mining tax expense was $518 resulting in an effective tax rate of 33%. Estimated income and mining tax expense during the first half of 2011 was $492 for an effective tax rate of 27%. The higher effective tax rate in the second quarter and first half of 2012 is a result of the following: (i) valuation allowances recorded on our Canadian deferred tax assets generated in 2012 due to care and maintenance expenditures at Hope Bay, (ii) an increase in mining taxes included in *Income and mining tax expense*, primarily related to Nevada and Peru, and (iii) a $65 non-recurring tax benefit in the second quarter and first half of 2011, recorded in connection with the conversion of non-U.S. tax-paying entities to entities currently subject to U.S. income tax which resulted in an increase in net deferred tax assets.

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.

At June 30, 2012, the Company s total unrecognized tax benefit was $245 for uncertain income tax positions taken or expected to be taken on income tax returns. Of this, $28 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 $20 to $25 in the next 12 months.

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 June 30,				Six Months Ended June 30,			
	2012		2011		2012		2011	
Income before income and mining tax and other items		$ 557		$ 847		$ 1,593		$ 1,820
Tax on income at statutory rate	35%	195	35%	296	35%	558	35%	637
Reconciling items:								
Tax benefit generated on change in form of a non-U.S. subsidiary			(8)%	(65)			(4)%	(65)
Percentage depletion	(6)%	(34)	(7)%	(56)	(7)%	(108)	(6)%	(111)
Change in valuation allowance on deferred tax assets	2%	13			3%	46		
Other	1%	1	2%	12	2%	22	2%	31
Income and mining tax expense	32%	$ 175	22%	$ 187	33%	$ 518	27%	$ 492

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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 10 DISCONTINUED OPERATIONS

Discontinued operations include Holloway Mining Company, which owned the Holt-McDermott property (Holt property) and 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 first half of 2012, the Company recorded an additional $71 charge, net of tax benefits of $4, to reflect an increase in future expected production at the Holt property due to new reserve and resource estimates published by St. Andrew and a higher gold price.

Net operating cash used in discontinued operations of $8 in the first half of 2012 relates to payments on the Holt property royalty.

NOTE 11 NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Yanacocha	$ 97	$ 72	$ 195	$ 126
Batu Hijau	(5)	64	8	166
Other		1	2	1
	$ 92	$ 137	$ 205	$ 293

At June 30, 2012, Newmont had a 48.5% effective economic interest in PT Newmont Nusa Tenggara (PTNNT). 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.

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

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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 12 INCOME PER COMMON SHARE

Basic income per common share is computed by dividing income available to Newmont common stockholders by the weighted average number of common shares outstanding during the period. Diluted income per common share is computed similarly to basic income per common share except that weighted average common shares is increased to include the potential issuance of dilutive common shares.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Net income attributable to Newmont stockholders				
Continuing operations	$ 279	$ 523	$ 840	$ 1,037
Discontinued operations		(136)	(71)	(136)
	$ 279	$ 387	$ 769	$ 901
Weighted average common shares:				
Basic	496	494	496	494
Effect of employee stock-based awards	1	1	1	1
Effect of convertible notes	1	6	5	6
Diluted	498	501	502	501
Income per common share				
Basic:				
Continuing operations	$ 0.56	$ 1.06	$ 1.69	$ 2.10
Discontinued operations		(0.28)	(0.14)	(0.28)
	$ 0.56	$ 0.78	$ 1.55	$ 1.82
Diluted:				
Continuing operations	$ 0.56	$ 1.04	$ 1.67	$ 2.07
Discontinued operations		(0.27)	(0.14)	(0.27)
	$ 0.56	$ 0.77	$ 1.53	$ 1.80

Options to purchase 2 and 3 million shares of common stock at average exercise prices of $58 and $57 were outstanding at June 30, 2012 and 2011, respectively, but were not included in the computation of diluted weighted average common shares because their effect would have been anti-dilutive.

Under its convertible note indentures, 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 (Newmont 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 average price of the Company s common stock exceeded the conversion prices for all periods presented, 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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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited) (Continued)

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

NOTE 13 CHANGES IN EQUITY

	Six Months Ended June 30, 2012	2011
Common stock:		
At beginning of period	$ 784	$ 778
Stock based awards	2	2
At end of period	786	780
Additional paid-in capital:		
At beginning of period	8,408	8,279
Stock based awards	55	52
Conversion premium on convertible notes	(172)	
Shares issued in exchange for exchangeable shares		(1)
At end of period	8,291	8,330
Accumulated other comprehensive income:		
At beginning of period	652	1,108
Other comprehensive income	(291)	202
At end of period	361	1,310
Retained earnings:		
At beginning of period	3,052	3,180
Net income attributable to Newmont stockholders	769	901
Dividends paid	(347)	(173)
At end of period	3,474	3,908
Noncontrolling interests:		
At beginning of period	2,875	2,371
Net income attributable to noncontrolling interests	205	293
Dividends paid	(3)	(2)
Other comprehensive income		3
At end of period	3,077	2,665
Total equity	$ 15,989	$ 16,993

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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 14 ACQUISITIONS

On April 6, 2011, Newmont completed the acquisition of Fronteer Gold, Inc. (Fronteer). Under the Arrangement, shareholders of Fronteer received C$14.00 in cash and one-fourth common share in Pilot Gold, which retained certain exploration assets of Fronteer, for each common share of Fronteer. In connection with the acquisition, Newmont incurred transaction costs of $21, which were recorded in *Other Expense, net* in the first half of 2011.

On June 25, 2009 the Company completed the acquisition of the remaining 33.33% interest in Boddington from AngloGold Ashanti Australia Limited (AngloGold), with a transaction that included maximum contingent consideration of $100, based on an operating margin royalty. Since the completion of the acquisition, the Company has accrued the maximum royalty, of which $12 was accrued in the current quarter.

NOTE 15 FAIR VALUE ACCOUNTING

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

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

Level 3 Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

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.

NEWMONT MINING CORPORATION

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

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

	Fair Value at June 30, 2012			
	Total	Level 1	Level 2	Level 3
Assets:				
Cash equivalents	$ 503	$ 503	$	$
Marketable equity securities:				
Extractive industries	1,110	1,110		
Other	10	10		
Marketable debt securities:				
Asset backed commercial paper	19			19
Corporate	98		98	
Auction rate securities	5			5
Trade receivable from provisional copper and gold concentrate sales, net	179	179		
Derivative instruments, net:				
Foreign exchange forward contracts	223		223	
	$ 2,147	$ 1,802	$ 321	$ 24
Liabilities:				
Diesel forward contracts	8		8	
Boddington contingent consideration	44			44
Holt property royalty	243			243
	$ 295	$	$ 8	$ 287

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.

The Company s corporate marketable debt securities are valued using quoted market prices in non-active markets and as such are classified within Level 2 of the fair value hierarchy. The Company s marketable debt securities 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. The Company estimated the fair value of the auction rate securities based on weighted average risk calculations using cash flow assumptions discounted approximately 42%, which reflects an estimated discount for lack of marketability. The Company estimated the fair value of its asset backed commercial paper using a probability of return ranging from 13%-74% for each class of notes, which is reflective of information reviewed regarding the separate classes of securities. As a result of utilizing the unobservable inputs noted above in its fair value estimation of the Company s auction rate securities and asset backed commercial paper, both fair value estimates are classified within Level 3 of the fair value hierarchy.

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.

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

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

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 has accrued the maximum of $100. At June 30, 2012 the Company used the following long-term price assumptions: 1) $1,500 per ounce gold price, 2) $3.50 per pound copper price, 3) $90 per barrel of oil, and 4) a $1.00 A$/US$ exchange rate. The Company used an approximate 4% discount rate in the model. The contingent royalty liability is classified within Level 3 of the fair value hierarchy.

The estimated fair value of the Holt sliding scale royalty was determined using a Monte Carlo valuation model to simulate future gold prices utilizing a long-term gold price assumption of $1,500 per ounce, various gold production scenarios based on publicly available reserve and resource information for the Holt property and an approximate 4% weighted average discount rate. The sliding scale royalty liability is classified within Level 3 of the fair value hierarchy.

The table below sets forth a summary of changes in the fair value of the Company s Level 3 financial assets and liabilities for the six months ended June 30, 2012:

	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	$ 54	$ 176	$ 230
Settlements				(22)	(8)	(30)
Revaluation				12	75	87
Balance at end of period	$ 5	$ 19	$ 24	$ 44	$ 243	$ 287

At June 30, 2012, assets and liabilities classified within Level 3 of the fair value hierarchy represent 1% and 97%, respectively, of total assets and liabilities measured at fair value.

NOTE 16 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 or fair value 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* and are reclassified to income 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.

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

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

In June 2011, Newmont began hedging a portion of the Company s A$ denominated capital expenditures related to the construction of the Akyem project in Africa utilizing foreign currency contracts. The hedging instruments are fixed forward contracts with expiration dates ranging up to two years.

In July 2011, Newmont began hedging a portion of the Company s A$ denominated capital expenditures related to the construction of a mine shaft at Tanami in Australia utilizing foreign currency contracts. The hedging instruments are fixed forward contracts with expiration dates ranging up to three years.

Newmont had the following foreign currency derivative contracts outstanding at June 30, 2012:

	Expected Maturity Date						
	2012	2013	2014	2015	2016	2017	Total/ Average
A$ Operating Fixed Forward Contracts:							
A$ notional (millions)	641	1,048	762	471	244	28	3,194
Average rate ($/A$)	0.93	0.93	0.90	0.89	0.90	0.88	0.91
Expected hedge ratio	78%	68%	50%	33%	17%	4%	
A$ Capital Fixed Forward Contracts:							
A$ notional (millions)	27	51	22				100
Average rate ($/A$)	1.00	0.98	0.96				0.98
Expected hedge ratio	37%	28%	40%				
NZ$ Operating Fixed Forward Contracts:							
NZ$ notional (millions)	41	37	4				82
Average rate ($/NZ$)	0.78	0.78	0.78				0.78
Expected hedge ratio	60%	29%	8%				

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 ranging up to three years from the date of issue.

Newmont had the following diesel derivative contracts outstanding at June 30, 2012:

	Expected Maturity Date				
	2012	2013	2014	2015	Total/ Average
Diesel Fixed Forward Contracts:					
Diesel gallons (millions)	16	22	10	1	49
Average rate ($/gallon)	2.91	2.92	2.88	2.85	2.91
Expected hedge ratio	71%	50%	24%	8%	

Forward Starting Swap Contracts

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*. 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.

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

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Fair Value Hedges

Interest Rate Swap Contracts

Newmont had $222 fixed to floating swap contracts designated as a hedge against 8 5/8% debentures which matured in May 2011.

Derivative Instrument Fair Values

Newmont had the following derivative instruments designated as hedges at June 30, 2012 and December 31, 2011:

	Fair Value At June 30, 2012			
	Other Current Assets	Other Long-Term Assets	Other Current Liabilities	Other Long-Term Liabilities
Foreign currency exchange contracts:				
A$ operating fixed forwards	$ 102	$ 121	$ 2	$ 1
A$ capital fixed forwards	1	1		
NZ$ operating fixed forwards	1			
Diesel fixed forwards	1		6	3
Total derivative instruments (Note 20 and 22)	$ 105	$ 122	$ 8	$ 4

	Fair Value At December 31, 2011			
	Other Current Assets	Other Long-Term Assets	Other Current Liabilities	Other Long-Term Liabilities
Foreign currency exchange contracts:				
A$ operating fixed forwards	$ 121	112	6	4
A$ capital fixed forwards				1
NZ$ operating fixed forwards	2		1	
Diesel fixed forwards	4		2	1
Forward starting interest rate swaps			399	
Total derivative instruments (Note 20 and 22)	$ 127	$ 112	$ 408	$ 6

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

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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 and fair value hedges and the gains (losses) recorded for the hedged item related to the fair value hedges.

	Foreign Currency Exchange Contracts		Diesel Forward Contracts		Forward Starting Swap Contracts	
	2012	2011	2012	2011	2012	2011
For the three months ended June 30,						
Cash flow hedging relationships:						
Gain (loss) recognized in other comprehensive income (effective portion)	$ 23	$ 126	$ (16)	$ (5)	$	$
Gain (loss) reclassified from Accumulated other comprehensive income into income (effective portion) [1]	38	49	1	5	(3)	
For the six months ended June 30,						
Cash flow hedging relationships:						
Gain (loss) recognized in other comprehensive income (effective portion)	$ 85	$ 193	$ (4)	$ 10	$ 36	$
Gain(loss) reclassified from Accumulated other comprehensive income into income (effective portion) [1]	85	91	4	9	(4)	
Gain reclassified from Accumulated other comprehensive income into income (ineffective portion) [2]					2	

(1) The gain (loss) for the effective portion of the foreign exchange and diesel cash flow hedges reclassified from *Accumulated other comprehensive income* is included in *Costs applicable to sales*. The loss for the effective portion of the forward starting swaps reclassified from *Accumulated other comprehensive income* is included in *Interest Expense*.

(2) The ineffective portion recognized for cash flow hedges is included in *Other Income, net*.

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

	Interest Rate Swap Contracts		8 5/8% Debentures (Hedged Portion)	
	2012	2011	2012	2011
For the three months ended June 30,				
Fair value hedging relationships:				
Gain (loss) recognized in income (effective portion) [1]	$	$ 1	$	$ (1)
(Loss) recognized in income (ineffective portion) [2]		(1)		
For the six months ended June 30,				
Fair value hedging relationships:				
Gain (loss) recognized in income (effective portion) [1]	$	$ 3	$	$ (6)
(Loss) recognized in income (ineffective portion) [2]		(2)		

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

The amount to be reclassified from *Accumulated other comprehensive income*, net of tax to income for derivative instruments during the next 12 months is a gain of approximately $49.

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 $3.57 per pound during the three months ended June 30, 2012, compared with the Company s recorded average provisional price of $3.52 per pound before mark-to-market adjustments and treatment and refining charges. LME copper prices averaged $3.67 per pound during the six months ended June 30, 2012, compared with the Company s recorded average provisional price of $3.65 per pound before mark-to-market adjustments and treatment and refining charges. During the three and six months ended June 30, 2012, changes in copper prices resulted in a provisional pricing mark-to-market loss of $18 ($0.40 per pound) and gain of $13 ($0.12 per pound), respectively. At June 30, 2012, Newmont had copper sales of 40 million pounds priced at an average of $3.44 per pound, subject to final pricing over the next several months.

The average London P.M. fix for gold was $1,609 per ounce during the three months ended June 30, 2012, compared with the Company s recorded average provisional price of $1,607 per ounce before mark-to-market adjustments and treatment and refining charges. The average London P.M. fix for gold was $1,651 per ounce during the six months ended June 30, 2012, compared to the Company s recorded average provisional price of $1,651 per ounce before mark-to-market adjustments and treatment and refining charges. During the three and six months ended June 30, 2012, changes in gold prices resulted in a provisional pricing mark-to-market loss of $2 ($2 per ounce) and gain of $4 ($1 per ounce), respectively. At June 30, 2012, Newmont had gold sales of 74,000 ounces priced at an average of $1,600 per ounce, subject to final pricing over the next several months.

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NOTE 17 INVESTMENTS

	At June 30, 2012			
	Cost/Equity Basis	Unrealized Gain	Unrealized Loss	Fair/Equity Basis
Current:				
Marketable Equity Securities:				
Paladin Energy Ltd.	$ 60	$ 7	$	$ 67
Other	14	6	(3)	17
	74	13	(3)	84
Marketable Debt Securities:				
Corporate	48			48
	$ 122	$ 13	$ (3)	$ 132
Long-term:				
Marketable Debt Securities:				
Asset backed commercial paper	$ 25	$	$ (6)	$ 19
Auction rate securities	8		(3)	5
Corporate	48	2		50
	81	2	(9)	74
Marketable Equity Securities:				
Canadian Oil Sands Ltd.	303	296		599
Gabriel Resources Ltd.	76	1		77
Regis Resources Ltd.	36	260		296
Other	68	8	(12)	64
	483	565	(12)	1,036
Other investments, at cost	12			12
Investment in Affiliates:				
Euronimba Ltd.	2			2
Minera La Zanja S.R.L.	61			61
	$ 639	$ 567	$ (21)	$ 1,185

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

	At December 31, 2011			
	Cost/Equity Basis	Unrealized Gain	Unrealized Loss	Fair/Equity Basis
Current:				
Marketable Equity Securities:				
Paladin Energy Ltd.	$ 60	$ 13	$	$ 73
Other	15	7	(1)	21
	$ 75	$ 20	$ (1)	$ 94
Long-term:				
Marketable Debt Securities:				
Asset backed commercial paper	$ 25	$	$ (6)	$ 19
Auction rate securities	7		(2)	5
Corporate	10	1		11
	42	1	(8)	35
Marketable Equity Securities:				
Canadian Oil Sands Trust	302	401		703
Gabriel Resources Ltd.	76	236		312
Regis Resources Ltd.	36	218		254
Other	92	16	(17)	91
	506	871	(17)	1,360
Other investments, at cost	11			11
Investment in Affiliates:				
Minera La Zanja S.R.L.	66			66
	$ 625	$ 872	$ (25)	$ 1,472

Included in *Investments* at June 30, 2012 and December 31, 2011 are $7 and $11 of long-term marketable debt securities, respectively, and $10 and $4 of long-term marketable equity securities, respectively, that are legally pledged for purposes of settling asset retirement obligations related to the San Jose Reservoir at Yanacocha.

During the three and six months ended June 30, 2012, the Company recognized impairments for other-than-temporary declines in value of $8 and $32 for marketable equity securities.

During the first half of 2012, the Company made net purchases of corporate marketable debt securities of $91.

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:

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

	Less than 12 Months		12 Months or Greater		Total	
At June 30, 2012	**Fair Value**	**Unrealized Losses**	**Fair Value**	**Unrealized Losses**	**Fair Value**	**Unrealized Losses**
Marketable equity securities	$ 34	$ 14	$	$	$ 34	$ 14
Asset backed commercial paper			19	6	19	6
Auction rate securities			5	3	5	3
	$ 34	$ 14	$ 24	$ 9	$ 58	$ 23

	Less than 12 Months		12 Months or Greater		Total	
At December 31, 2011	**Fair Value**	**Unrealized Losses**	**Fair Value**	**Unrealized Losses**	**Fair Value**	**Unrealized Losses**
Marketable equity securities	$ 42	$ 18	$	$	$ 42	$ 18
Asset backed commercial paper			19	6	19	6
Auction rate securities			5	2	5	2
	$ 42	$ 18	$ 24	$ 8	$ 66	$ 26

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 18 INVENTORIES

	At June 30, 2012	At December 31, 2011
In-process	$ 123	$ 159
Concentrate	192	116
Precious metals	36	12
Materials, supplies and other	452	427
	$ 803	$ 714

NOTE 19 STOCKPILES AND ORE ON LEACH PADS

	At June 30, 2012	At December 31, 2011
Current:		
Stockpiles	$ 590	$ 506
Ore on leach pads	208	165
	$ 798	$ 671

Long-term:		
Stockpiles	$ 2,187	$ 1,904
Ore on leach pads	392	367
	$ 2,579	$ 2,271

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

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

	At June 30, 2012	At December 31, 2011
Stockpiles and ore on leach pads:		
Nevada	$ 608	$ 536
La Herradura	21	6
Yanacocha	591	512
Boddington	456	435
Batu Hijau	1,331	1,119
Other Australia/New Zealand	165	161
Ahafo	205	173
	$ 3,377	$ 2,942

NOTE 20 OTHER ASSETS

	At June 30, 2012	At December 31, 2011
Other current assets:		
Refinery metal inventory and receivable	$ 393	$ 796
Prepaid assets	176	93
Derivative instruments	105	127
Restricted cash	2	20
Note receivable		12
Other	62	85
	$ 738	$ 1,133
Other long-term assets:		
Goodwill	$ 188	$ 188
Income tax receivable	185	142
Intangible assets	142	147
Derivative instruments	122	112
Restricted cash	91	48
Debt issuance costs	79	59
Other receivables	16	17
Other	179	144
	$ 1,002	$ 857

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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 21 DEBT

	At June 30, 2012		At December 31, 2011	
	Current	Non-Current	Current	Non-Current
Sale-leaseback of refractory ore treatment plant	$ 30	$	$ 165	$
Corporate revolving credit facility				33
2012 Convertible Senior Notes, net			514	
2014 Convertible Senior Notes, net		523		512
2017 Convertible Senior Notes, net		461		452
2019 Senior Notes, net		897		896
2022 Senior Notes, net		1,489		
2035 Senior Notes, net		598		598
2039 Senior Notes, net		1,087		1,087
2042 Senior Notes, net		992		
Ahafo project finance facility	10	40	10	45
Other capital leases		1		1
	$ 40	$ 6,088	$ 689	$ 3,624

Scheduled minimum debt repayments are $35 for the remainder of 2012, $10 in 2013, $533 in 2014, $10 in 2015, $10 in 2016 and $5,530 thereafter.

Corporate Revolving Credit Facility

In May 2012, the Company s Corporate Revolving Credit Facility was amended to increase the capacity to $3,000 and extend the facility one year to 2017. The available capacity under the Corporate Revolving Credit Facility prior to the amendment was $2,500.

2012 Convertible Senior Notes

In February 2012, the Company s 2012 Convertible Senior Notes matured, resulting in a principal payment of $517. The Company elected to pay the conversion premium of $172 in cash in lieu of issuing common shares.

2022 and 2042 Senior Notes

In March 2012, the Company completed a two part public offering of $1,500 and $1,000 uncollateralized Senior Notes maturing on March 15, 2022 and March 15, 2042, respectively; net proceeds were $1,479 and $983, respectively. The 2022 Senior Notes pay interest semi-annually at a rate of 3.50% per annum and the 2042 Senior Notes pay semi-annual interest of 4.875% per annum.

Consistent with the Company s other Notes included in the table above, the 2022 and 2042 Senior Notes contain various covenants and default provisions including payment defaults, limitation on liens, limitation on sales and leaseback agreements and merger restrictions.

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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 OTHER LIABILITIES

	At June 30, 2012	At December 31, 2011
Other current liabilities:		
Refinery metal payable	$ 393	$ 796
Accrued capital expenditures	237	248
Accrued operating costs	231	231
Interest	79	55
Taxes other than income and mining	78	93
Reclamation and remediation liabilities	66	71
Deferred income tax	54	50
Royalties	38	53
Boddington contingent consideration	28	24
Holt property royalty	17	17
Derivative instruments	8	408
Other	58	87
	$ 1,287	$ 2,133
Other long-term liabilities:		
Holt property royalty	$ 226	$ 159
Income and mining taxes	75	88
Power supply agreements	45	45
Boddington contingent consideration	16	30
Derivative instruments	4	6
Other	37	36
	$ 403	$ 364

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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 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:

	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Decrease (increase) in operating assets:		
Trade and accounts receivable	$ (14)	$ 121
Inventories, stockpiles and ore on leach pads	(443)	(230)
EGR refinery assets	406	(437)
Other assets	(43)	(67)
Increase (decrease) in operating liabilities:		
Accounts payable and other accrued liabilities	(227)	(349)
EGR refinery liabilities	(406)	437
Reclamation liabilities	(41)	(15)
	$ (768)	$ (540)

NOTE 24 SUPPLEMENTAL CASH FLOW INFORMATION

	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Income and mining taxes, net of refunds	$ 746	$ 892
Interest, net of amounts capitalized	$ 105	$ 92

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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 25 CONDENSED CONSOLIDATING FINANCIAL STATEMENTS

Newmont USA, a 100% owned subsidiary of Newmont Mining Corporation, has fully and unconditionally guaranteed the 2019, 2022, 2035, 2039 and 2042 Senior Notes, the 2014 and 2017 Convertible Senior Notes and the corporate revolving credit facility. The following consolidating financial statements are provided for Newmont USA, as guarantor, and for Newmont Mining Corporation, as issuer, as an alternative to providing separate financial statements for the guarantor. The accounts of Newmont Mining Corporation are presented using the equity method of accounting for investments in subsidiaries.

	Three Months Ended June 30, 2012				
Condensed Consolidating Statement of Income	**Newmont Mining Corporation**	**Newmont USA**	**Other Subsidiaries**	**Eliminations**	**Newmont Mining Corporation Consolidated**
Sales	$	$ 1,383	$ 846	$	$ 2,229
Costs and expenses					
Costs applicable to sales [(1)]		550	464	(12)	1,002
Amortization		135	113		248
Reclamation and remediation		12	4		16
Exploration		71	35		106
Advanced projects, research and development		64	17	1	82
General and administrative		44	2	11	57
Other expense, net		42	84		126
		918	719		1,637
Other income (expense)					
Other income, net	(6)	12	30		36
Interest income - intercompany	39	1	6	(46)	
Interest expense - intercompany	(3)	(1)	(42)	46	
Interest expense, net	(62)	(7)	(2)		(71)
	(32)	5	(8)		(35)
Income before income and mining tax and other items	(32)	470	119		557
Income and mining tax expense	11	(83)	(103)		(175)
Equity income (loss) of affiliates	300	(2)	50	(359)	(11)
Net income	279	385	66	(359)	371
Net income attributable to noncontrolling interests		(91)	(31)	30	(92)
Net income attributable to Newmont stockholders	$ 279	$ 294	$ 35	$ (329)	$ 279
Comprehensive income	$ (18)	$ 357	$ (190)	$ (77)	$ 72
Comprehensive income attributable to noncontrolling interests		(91)	(29)	30	(90)

Comprehensive income attributable to Newmont stockholders	$ (18)	$ 266	$ (219)	$ (47)	$ (18)

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

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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)

	Three Months Ended June 30, 2011				
Condensed Consolidating Statement of Income	**Newmont Mining Corporation**	**Newmont USA**	**Other Subsidiaries**	**Eliminations**	**Newmont Mining Corporation Consolidated**
Sales	$	$ 1,468	$ 916	$	$ 2,384
Costs and expenses					
Costs applicable to sales [1]		551	375	(9)	917
Amortization		156	94		250
Reclamation and remediation		37	6		43
Exploration		47	42		89
Advanced projects, research and development		41	46	(1)	86
General and administrative		39	1	10	50
Other expense, net		67	20		87
		938	584		1,522
Other income (expense)					
Other income, net	(2)	41	9		48
Interest income - intercompany	40	2	2	(44)	
Interest expense - intercompany	(3)		(41)	44	
Interest expense, net	(59)	(3)	(1)		(63)
	(24)	40	(31)		(15)
Income before income and mining tax and other items	(24)	570	301		847
Income and mining tax expense	5	(111)	(81)		(187)
Equity income (loss) of affiliates	406	2	50	(458)	
Income from continuing operations	387	461	270	(458)	660
Loss from discontinued operations		7	(143)		(136)
Net income (loss)	387	468	127	(458)	524
Net income attributable to noncontrolling interests		(173)	30	6	(137)
Net income attributable to Newmont stockholders	$ 387	$ 295	$ 157	$ (452)	$ 387
Comprehensive income	$ 308	$ 419	$ 230	$ (511)	$ 446
Comprehensive income attributable to noncontrolling interests		(173)	29	6	(138)
Comprehensive income attributable to Newmont stockholders	$ 308	$ 246	$ 259	$ (505)	$ 308

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

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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)

	Six Months Ended June 30, 2012				
Condensed Consolidating Statement of Income	**Newmont Mining Corporation**	**Newmont USA**	**Other Subsidiaries**	**Eliminations**	**Newmont Mining Corporation Consolidated**
Sales	$	$ 3,000	$ 1,912	$	$ 4,912
Costs and expenses					
Costs applicable to sales [(1)]		1,113	929	(23)	2,019
Amortization		265	214		479
Reclamation and remediation		23	9		32
Exploration		124	70		194
Advanced projects, research and development		152	31	1	184
General and administrative		86	3	22	111
Other expense, net		89	157		246
		1,852	1,413		3,265
Other income (expense)					
Other income, net	(9)	25	53		69
Interest income intercompany	79	3	11	(93)	
Interest expense intercompany	(8)	(1)	(84)	93	
Interest expense, net	(108)	(12)	(3)		(123)
	(46)	15	(23)		(54)
Income before income and mining tax and other items	(46)	1,163	476		1,593
Income and mining tax expense	16	(229)	(305)		(518)
Equity income (loss) of affiliates	799	(13)	117	(933)	(30)
Income from continuing operations	769	921	288	(933)	1,045
Loss from discontinued operations		4	(75)		(71)
Net income	769	925	213	(933)	974
Net income attributable to noncontrolling interests		(207)	(63)	65	(205)
Net income attributable to Newmont stockholders	$ 769	$ 718	$ 150	$ (868)	$ 769
Comprehensive income	$ 478	$ 898	$ (51)	$ (642)	$ 683
Comprehensive income attributable to noncontrolling interests		(207)	(63)	65	(205)
Comprehensive income attributable to Newmont stockholders	$ 478	$ 691	$ (114)	$ (577)	$ 478

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

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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)

	Six Months Ended June 30, 2011				
Condensed Consolidating Statement of Income	**Newmont Mining Corporation**	**Newmont USA**	**Other Subsidiaries**	**Eliminations**	**Newmont Mining Corporation Consolidated**
Sales	$	$ 2,986	$ 1,863	$	$ 4,849
Costs and expenses					
Costs applicable to sales [(1)]		1,117	759	(19)	1,857
Amortization		315	191		506
Reclamation and remediation		48	9		57
Exploration		81	70		151
Advanced projects, research and development		68	87	(1)	154
General and administrative		73	2	20	95
Other expense, net		121	39		160
		1,823	1,157		2,980
Other income (expense)					
Other income, net	(8)	67	20		79
Interest income intercompany	76	4	4	(84)	
Interest expense intercompany	(6)		(78)	84	
Interest expense, net	(113)	(12)	(3)		(128)
	(51)	59	(57)		(49)
Income before income and mining tax and other items	(51)	1,222	649		1,820
Income and mining tax expense	15	(319)	(188)		(492)
Equity income (loss) of affiliates	937	3	139	(1,077)	2
Income (loss) from continuing operations	901	906	600	(1,077)	1,330
Income (loss) from discontinued operations		7	(143)		(136)
Net income	901	913	457	(1,077)	1,194
Net income attributable to noncontrolling interests		(365)	10	62	(293)
Net income attributable to Newmont stockholders	$ 901	$ 548	$ 467	$ (1,015)	$ 901
Comprehensive income	$ 1,103	$ 881	$ 825	$ (1,410)	$ 1,399
Comprehensive income attributable to noncontrolling interests		(365)	7	62	(296)
Comprehensive income attributable to Newmont stockholders	$ 1,103	$ 516	$ 832	$ (1,348)	$ 1,103

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

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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)

	Six Months Ended June 30, 2012				
Condensed Consolidating Statement of Cash Flows	**Newmont Mining Corporation**	**Newmont USA**	**Other Subsidiaries**	**Eliminations**	**Newmont Mining Corporation Consolidated**
Operating activities:					
Net income (loss)	$ 769	$ 925	$ 213	$ (933)	$ 974
Adjustments	32	273	(480)	933	758
Net change in operating assets and liabilities	(7)	(514)	(247)		(768)
Net cash provided from (used in) continuing operations	794	684	(514)		964
Net cash used in discontinued operations			(8)		(8)
Net cash provided from (used in) operations	794	684	(522)		956
Investing activities:					
Additions to property, plant and mine development		(1,090)	(488)		(1,578)
Sale of marketable securities			106		106
Purchases of marketable securities		(91)	(105)		(196)
Acquisitions, net			(22)		(22)
Proceeds from sale of other assets		9	4		13
Other			(37)		(37)
Net cash used in investing activities		(1,172)	(542)		(1,714)
Financing activities:					
Net borrowings (repayments)	1,543	(136)	(5)		1,402
Payment of conversion premium on debt	(172)				(172)
Net intercompany borrowings (repayments)	(1,833)	692	1,141		
Dividends paid to common stockholders	(347)				(347)
Dividends paid to noncontrolling interests		(3)			(3)
Proceeds from stock issuance, net	15				15
Other			(1)		(1)
Net cash provided from (used in) financing activities	(794)	553	1,135		894
Effect of exchange rate changes on cash		(1)	2		1
Net change in cash and cash equivalents		64	73		137
Cash and cash equivalents at beginning of period		1,526	234		1,760
Cash and cash equivalents at end of period	$	$ 1,590	$ 307	$	$ 1,897

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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)

	Six Months Ended June 30, 2011				
Condensed Consolidating Statement of Cash Flows	**Newmont Mining Corporation**	**Newmont USA**	**Other Subsidiaries**	**Eliminations**	**Newmont Mining Corporation Consolidated**
Operating activities:					
Net income (loss)	$ 901	$ 913	$ 457	$ (1,077)	$ 1,194
Adjustments	39	362	(729)	1,077	749
Net change in operating assets and liabilities	(27)	(509)	(4)		(540)
Net cash provided from (used in) continuing operations	913	766	(276)		1,403
Net cash used in discontinued operations			(2)		(2)
Net cash provided from (used in) operations	913	766	(278)		1,401
Investing activities:					
Additions to property, plant and mine development		(671)	(349)		(1,020)
Sale of marketable securities		55			55
Purchases of marketable securities			(15)		(15)
Acquisitions, net			(2,291)		(2,291)
Proceeds from sale of other assets		(56)	62		6
Other			(15)		(15)
Net cash used in investing activities		(672)	(2,608)		(3,280)
Financing activities:					
Net borrowings (repayments)	83	(276)	(5)		(198)
Net intercompany borrowings (repayments)	(831)	(2,018)	2,849		
Dividends paid to common stockholders	(173)				(173)
Dividends paid to noncontrolling interests		(17)			(17)
Proceeds from stock issuance, net	8				8
Other		1	(1)		
Net cash provided from (used in) financing activities	(913)	(2,310)	2,843		(380)
Effect of exchange rate changes on cash		1	57		58
Net change in cash and cash equivalents		(2,215)	14		(2,201)
Cash and cash equivalents at beginning of period		3,877	179		4,056
Cash and cash equivalents at end of period	$	$ 1,662	$ 193	$	$ 1,855

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

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

	At June 30, 2012				
Condensed Consolidating Balance Sheet	**Newmont Mining Corporation**	**Newmont USA**	**Other Subsidiaries**	**Eliminations**	**Newmont Mining Corporation Consolidated**
Assets					
Cash and cash equivalents	$	$ 1,590	$ 307	$	$ 1,897
Trade receivables		183	107		290
Accounts receivable	2,083	2,871	293	(4,888)	359
Investments	67	48	17		132
Inventories		400	403		803
Stockpiles and ore on leach pads		669	129		798
Deferred income tax assets	5	250			255
Other current assets	9	147	582		738
Current assets	2,164	6,158	1,838	(4,888)	5,272
Property, plant and mine development, net		7,674	9,293	(31)	16,936
Investments		72	1,113		1,185
Investments in subsidiaries	15,184	2	2,967	(18,153)	
Stockpiles and ore on leach pads		1,882	697		2,579
Deferred income tax assets	800	833	53		1,686
Other long-term assets	3,791	752	899	(4,440)	1,002
Total assets	$ 21,939	$ 17,373	$ 16,860	$ (27,512)	$ 28,660
Liabilities					
Debt	$	$ 30	$ 10	$	$ 40
Accounts payable	2,649	1,390	1,321	(4,786)	574
Employee-related benefits		206	87		293
Income and mining taxes		53	120		173
Other current liabilities	78	539	2,735	(2,065)	1,287
Current liabilities	2,727	2,218	4,273	(6,851)	2,367
Debt	6,047	1	40		6,088
Reclamation and remediation liabilities		908	362		1,270
Deferred income tax liabilities		601	1,455		2,056
Employee-related benefits	5	370	112		487
Other long-term liabilities	527	50	4,297	(4,471)	403
Total liabilities	9,306	4,148	10,539	(11,322)	12,671
Equity					
Preferred stock			61	(61)	
Common stock	786		5	(5)	786
Additional paid-in capital	8,012	3,050	5,698	(8,469)	8,291
Accumulated other comprehensive income	361	(216)	905	(689)	361
Retained earnings	3,474	6,776	(1,603)	(5,173)	3,474

Newmont stockholders equity	12,633	9,610	5,066	(14,397)	12,912
Noncontrolling interests		3,615	1,255	(1,793)	3,077
Total equity	12,633	13,225	6,321	(16,190)	15,989
Total liabilities and equity	$ 21,939	$ 17,373	$ 16,860	$ (27,512)	$ 28,660

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

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

	At December 31, 2011				
Condensed Consolidating Balance Sheet	**Newmont Mining Corporation**	**Newmont USA**	**Other Subsidiaries**	**Eliminations**	**Newmont Mining Corporation Consolidated**
Assets					
Cash and cash equivalents	$	$ 1,526	$ 234	$	$ 1,760
Trade receivables		205	95		300
Accounts receivable	1,415	3,447	264	(4,806)	320
Investments	72		22		94
Inventories		333	381		714
Stockpiles and ore on leach pads		532	139		671
Deferred income tax assets	134	257	5		396
Other current assets		91	1,042		1,133
Current assets	1,621	6,391	2,182	(4,806)	5,388
Property, plant and mine development, net		6,917	8,990	(26)	15,881
Investments		29	1,443		1,472
Investments in subsidiaries	14,675	43	2,825	(17,543)	
Stockpiles and ore on leach pads		1,641	630		2,271
Deferred income tax assets	708	838	59		1,605
Other long-term assets	3,423	641	927	(4,134)	857
Total assets	$ 20,427	$ 16,500	$ 17,056	$ (26,509)	$ 27,474
Liabilities					
Debt	$ 514	$ 165	$ 10	$	$ 689
Accounts payable	2,698	1,327	1,343	(4,807)	561
Employee-related benefits		222	85		307
Income and mining taxes		45	205		250
Other current liabilities	450	459	3,186	(1,962)	2,133
Current liabilities	3,662	2,218	4,829	(6,769)	3,940
Debt	3,578	1	45		3,624
Reclamation and remediation liabilities		809	360		1,169
Deferred income tax liabilities		732	1,415		2,147
Employee-related benefits	5	355	99		459
Other long-term liabilities	567	61	3,895	(4,159)	364
Total liabilities	7,812	4,176	10,643	(10,928)	11,703
Equity					
Preferred stock			61	(61)	
Common stock	784				784
Additional paid-in capital	8,127	3,050	5,702	(8,471)	8,408
Accumulated other comprehensive income	652	(189)	1,168	(979)	652
Retained earnings	3,052	6,055	(1,744)	(4,311)	3,052

Newmont stockholders equity	12,615	8,916	5,187	(13,822)	12,896
Noncontrolling interests		3,408	1,226	(1,759)	2,875
Total equity	12,615	12,324	6,413	(15,581)	15,771
Total liabilities and equity	$ 20,427	$ 16,500	$ 17,056	$ (26,509)	$ 27,474

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 PT Newmont Minahasa Raya and PTNNT matters relate to the Asia Pacific reportable segment. The Yanacocha matters relate to the South America 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 June 30, 2012 and December 31, 2011, $1,145 and $1,070, 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 $45 and $47 at June 30, 2012 and December 31, 2011, respectively, are included in *Other current liabilities*.

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, $191 and $170 were accrued for such obligations at June 30, 2012 and December 31, 2011, 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 108% greater or 7% lower than the amount accrued at June 30, 2012. 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

Conjecture Mine Site. On April 24, 2012, Federal Resources Corporation served Newmont with a third party complaint seeking contribution for reclamation costs at the Conjecture Mine site in Bonner County, Idaho. The United States Department of Justice on behalf of the EPA (U.S.) brought a CERCLA action against Federal Resources Corporation for costs incurred in response to alleged releases or threatened releases of hazardous substances at the Conjecture Mine, Idaho Lakeview and Minnie More Mine sites. The U.S. has expended approximately $5 in total costs for the completion of reclamation at the Conjecture Mine. Federal Resources Corporation alleges that Newmont is the successor-in-interest to Duval Corporation (Duval), and that Duval is a former operator of the Conjecture Mine. Newmont denies that it is a successor-in-interest to the liabilities of Duval and further Newmont has not uncovered any evidence to substantiate that Duval operated the Conjecture Mine. Therefore, Newmont intends to vigorously defend this lawsuit. Newmont cannot reasonably predict the likelihood or outcome of this matter.

NEWMONT MINING CORPORATION

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

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

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.

Newmont USA Limited 100% Newmont Owned

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

Ross-Adams Mine Site. By letter dated June 5, 2007, the U.S. Forest Service notified Newmont that it had expended approximately $0.3 in response costs to address environmental conditions at the Ross-Adams mine in Prince of Wales, Alaska, and requested Newmont USA Limited pay those costs and perform an Engineering Evaluation/Cost Analysis (EE/CA) to assess what future response activities might need to be completed at the site. Newmont 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.

PT Newmont Minahasa Raya (PTNMR) 80% Newmont Owned

On March 22, 2007, an Indonesian non-governmental organization named Wahana Lingkungan Hidup Indonesia (WALHI) filed a civil suit against PTNMR, the Newmont subsidiary that operated the Minahasa mine in Indonesia, and Indonesia s Ministry of Energy & Mineral Resources and Ministry of Environment, alleging pollution from the government-approved and permitted disposal of mill tailings into Buyat Bay, and seeking a court order requiring PTNMR to fund a 25-year monitoring program in relation to Buyat Bay. In December 2007, the court ruled in PTNMR s favor and found that WALHI s allegations of pollution in Buyat Bay were without merit. In March 2008, WALHI appealed this decision to the Indonesian High Court. On January 27, 2010, the Indonesian High Court upheld the December 2007 ruling in favor of PTNMR. On May 17, 2010, WALHI filed an appeal of the January 27, 2010 Indonesian High Court ruling seeking review from the Indonesian Supreme Court. Independent sampling and testing of Buyat Bay water and fish, as well as area residents, conducted by the World Health Organization and the Australian Commonwealth Scientific and Industrial Research Organization confirm that PTNMR has not polluted the Buyat Bay environment, and, therefore, has not adversely affected the fish in Buyat Bay or the health of nearby residents. Ongoing monitoring of seawater quality by an Independent Scientific Panel continues to confirm that PTNMR s operations have not adversely affected the environment. The Company remains steadfast that it has not caused pollution or health problems.

Other Legal Matters

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

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

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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)

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 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 have been referred to the Civil Court of Cajamarca, which has confirmed the decision of the lower court judge. The plaintiffs have filed appeals of such orders before the Supreme Court. Yanacocha will continue to vigorously defend its position. Neither the Company nor Yanacocha can reasonably estimate the ultimate loss relating to such claims.

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.

In accordance with the Contract of Work, an offer to sell a 3% interest was made to the Indonesian government in 2006 and an offer for an additional 7% interest was made in each of 2007, 2008, 2009 and 2010. While the central government declined to participate in the 2006 and 2007 offers, local governments in the area in which the Batu Hijau mine is located expressed interest in acquiring shares, as did various Indonesian nationals. After disagreement with the government over whether the government s first right to purchase had expired and receipt of Notices of Default from the government claiming breach and threatening termination of the Contract of Work, on March 3, 2008, the Indonesian government filed for international arbitration as provided under the Contract of Work, as did PTNNT.

An international arbitration panel (the Panel) was appointed to resolve these claims and other claims that had arisen in relation to divestment and on March 31, 2009, the Panel issued its final award and decision on the matter. In its decision, the Panel determined that PTNNT s foreign shareholders had not complied with the divestiture procedure required by the Contract of Work in 2006 and 2007, but the Panel ruled that the Indonesian government was not entitled to immediately terminate the Contract of Work and rejected the Indonesian government s claim for damages. In November and December 2009, sale agreements were concluded pursuant to which the 2006, 2007 and 2008 shares were transferred to PT Multi Daerah Bersaing (PTMDB), the nominee of the local governments, and the 2009 shares were transferred 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. Closing of the transaction is pending 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 October 2011, press reports stated that Indonesia s Supreme Audit Agency had determined that parliamentary approval is required. The Ministry of Finance continues to dispute the need for parliamentary approval and has filed a case with Indonesia s Constitutional Court to have the issue finally resolved. Further disputes may arise in regard to the divestiture of the 2010 shares.

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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 the negotiation of the sale agreements with PTMDB, the parties executed an operating agreement (the Operating Agreement) under which each recognizes the rights of the Company and Sumitomo to apply their operating standards to the management of PTNNT s operations, including standards for safety, environmental stewardship and community responsibility. The Operating Agreement became effective upon the completion of the sale of the 2009 shares in February 2010 and will continue for so long as the Company and Sumitomo own more shares of PTNNT than PTMDB. If the Operating Agreement terminates, then the Company may lose control over the applicable operating standards for Batu Hijau and will be at risk for operations conducted in a manner that either detracts from value or results in safety, environmental or social standards below those adhered to by the Company and Sumitomo.

In the event of any future disputes under the Contract of Work or Operating Agreement, there can be no assurance that the Company would prevail in any such dispute and any termination of such contracts could result in substantial diminution in the value of the Company s interests in PTNNT.

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.

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 has appealed the verdict. PTNNT will continue to defend its submarine tailings permit and is confident that the Ministry of Environment acted properly in renewing PTNNT s permit.

Newmont Mining Corporation claim relating to PTNNT divestiture

Indonesian citizens apparently living in the province of Nusa Tenggara Barat filed a lawsuit against Indonesia s Ministry of Finance and other government officials (as defendants) and against PTNNT and the Company (as co-defendants). Plaintiffs claim that the purchase by the central government of the final 7% divestiture stake in PTNNT violates, or would violate, their human rights. PTNNT s alleged liability appears supposedly to arise from being a party involved in the process of divestiture, and the Company s from being a holding company of PTNNT. The allegations regarding alleged liability are vague and unclear. Plaintiffs seek various relief, including an order requiring the defendants and co-defendants to transfer the final 7% stake to the regional government of Nusa Tenggara Barat and a payment of approximately $247 in damages. The Company considers that there is lack of jurisdiction, and that the claims, including those pertaining to it and PTNNT, are entirely without merit.

PT Pukuafu Indah Litigation

In October 2009, PTPI filed a lawsuit in the Central Jakarta District Court against PTNNT and the Indonesian government seeking to cancel the March 2009 arbitration award pertaining to the manner in which divestiture of shares in PTNNT should proceed (refer to the discussion of PTNNT above for the arbitration results). On October 11, 2010, the District Court ruled in favor of PTNNT and the Indonesian government finding, among other things, that PTPI lacks standing to contest the validity of the arbitration award. PTPI filed an appeal to the High Court, which was rejected by the High Court on January 4, 2012. PTPI has appealed the case to the Indonesian Supreme Court.

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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)

Subsequent to its initial claim, PTPI filed numerous additional lawsuits, three of which have been withdrawn, against Newmont Indonesia Limited (NIL) and Nusa Tenggara Mining Corporation (NTMC), a subsidiary of Sumitomo, in the South Jakarta District Court. Fundamentally, the cases all relate to PTPI s contention that it owns, or has rights to own, the shares in PTNNT that have been or will be divested to fulfill the requirements of the PTNNT Contract of Work and the March 2009 arbitration award. PTPI also makes various other allegations, including alleged rights in or to the Company s or NTMC s non-divestiture shares in PTNNT, and PTPI asserts claims for significant damages allegedly arising from NIL s and NTMC s unlawful acts in transferring the divestiture shares to a third party. On November 30, 2010, the South Jakarta District Court rendered a decision in favor of PTPI in one of the cases that included an order that NIL/NTMC transfer 31% of PTNNT shares to PTPI and pay PTPI $26 in damages and certain monetary penalties. The order is not final and binding until the appeal process is completed. NIL and NTMC appealed the decision. On June 28, 2011, the South Jakarta District Court ruled in favor of NIL and NTMC in one of PTPI s lawsuits contending that PTPI has rights in or to NIL s and NTMC s non-divestiture shares. In the Company s view, this ruling further conflicts with the November 30, 2010 ruling finding that PTPI has rights in the divestiture shares. PTPI has filed a notice of appeal. In March 2012, the District Court dismissed PTPI s final two cases that were pending at the trial court level, and PTPI has to date appealed one of these lawsuits.

In January 2010, PTPI also filed a lawsuit against PTNNT s President Director, Mr. Martiono Hadianto, alleging wrongful acts associated with the arbitration, including failure to properly share certain information. The South Jakarta District Court issued a decision partially in favor of PTPI against the PTNNT President Director, requiring the production of arbitration documents. The PTNNT President Director has appealed the decision, which is nonbinding until the appeal process is completed.

Newmont, Sumitomo and PTNNT s management believe that all of PTPI s claims in these matters are without merit and constitute a material breach of a written release agreement executed by PTPI in 2009, in which it and its shareholders committed to cease prosecution of all then-pending lawsuits and not to initiate new proceedings, in conjunction with Newmont s provision of financing to PTPI in late 2009.

In August 2010, NIL and NVL USA Limited (NVL) commenced an arbitration against PTPI in the Singapore International Arbitration Centre, as provided in relevant financing agreements, seeking declarations that PTPI has violated the release agreement by failing to dismiss its Indonesian lawsuits, that PTPI is in breach of the November 2009 loan facility and related agreements, and that NIL and NVL are entitled to damages arising from PTPI s and its shareholders conduct.

On October 1, 2010, NIL and NVL requested, based upon the release agreement, that the arbitral tribunal issue an interim order requiring PTPI and its shareholders to discontinue the various Indonesian court proceedings and refrain from bringing additional lawsuits. On October 15, 2010, the tribunal issued an order granting NIL and NVL s request. The order of the tribunal restrains PTPI and its agents from proceeding with or continuing with or assisting or participating in the prosecution of the Indonesian [s]uits and from commencing additional proceedings relating to the same subject matter as the Indonesian lawsuits. NIL and NVL obtained an enforcement order in Singapore courts but it is not known whether PTPI and its shareholders will abide by the court order. PTPI and its shareholders proceedings in Singapore court to contest enforcement of the interim award were rejected by the court.

On April 7, 2011, the arbitral tribunal issued a final award, while keeping the proceedings open to allow NIL and NVL to seek further relief as necessary, finding PTPI and its shareholders in breach of various provisions of the financing agreements, including the release agreement. The tribunal, for the second time, ordered PTPI and its agents to restrain from proceeding with the Indonesian lawsuits or filing new lawsuits relating to the same subject matter. In addition, the tribunal ordered PTPI and other shareholder defendants, collectively, to pay more than $11 in damages, costs and expenses. NIL and NVL obtained an enforcement order in Singapore courts but it is not known whether PTPI and its shareholders will comply with the court order. NIL and NVL have also registered the final award in the Central Jakarta District Court to seek enforcement in Indonesia.

The Company intends to continue vigorously defending the PTPI lawsuits and pursuing its claims against PTPI.

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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)

NWG Investments Inc. v. Fronteer Gold Inc.

In April 2011, Newmont acquired Fronteer Gold Inc. (Fronteer). Fronteer has been named as a defendant in a lawsuit filed in New York State Supreme Court by NWG Investments Inc. (NWG).

Fronteer acquired NewWest Gold Corporation (NewWest Gold) in September 2007. At the time of that acquisition, 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.

NWG has not yet filed or served a complaint upon Fronteer or Newmont. 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 9).

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 $28 in 2012 through 2016 and $223 thereafter.

As part of its ongoing business and operations, the Company and its affiliates are required to provide surety bonds, bank letters of credit and bank guarantees as financial support for various purposes, including environmental reclamation, exploration permitting, workers compensation programs and other general corporate purposes. At June 30, 2012 and December 31, 2011, there were $1,661 and $1,354, 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 62. References to A$ refer to Australian currency, C$ to Canadian currency, NZ$ to New Zealand currency and $ to United States currency.

This item should be read in conjunction with our interim unaudited Condensed Consolidated Financial Statements and the notes thereto included in this quarterly report. Additionally, the following discussion and analysis should be read in conjunction with *Management s Discussion and Analysis of Consolidated Financial Condition and Results of Operations* and the consolidated financial statements included in Part II of our Annual Report on Form 10-K for the year ended December 31, 2011 filed February 24, 2012.

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, and has been included in the Dow Jones Sustainability Index-World for five consecutive years. We are also engaged in the exploration for and acquisition of gold and gold/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. We remain focused on progressing the development of our next generation of mining projects. Approximately 50% of our 2012 capital expenditures will be invested in these projects and the development of our pipeline, funded primarily from *Net cash from continuing operations*, as we continue to deliver solid leverage to the gold price. Second quarter 2012 highlights are included below and discussed further in *Results of Consolidated Operations*.

Operating highlights

- Average realized gold price of $1,598 and $1,643 per ounce for the second quarter and first half of 2012, up 6% and 14% respectively;

- Average realized copper price of $2.85 and $3.49 per pound for the second quarter and first half of 2012, down 25% and 11% respectively;

- Consolidated *Sales* of $2,229 and $4,912 for the second quarter and first half of 2012, down 7% and up 1% respectively;

- Gold *Costs applicable to sales* of $681 and $649 per ounce, for the second quarter and first half of 2012, up 17% and 14% respectively;

- Copper *Costs applicable to sales* of $2.35 and $2.14 per pound, for the second quarter and first half of 2012, up 75% and 77% respectively;

- Cash flow from continuing operations of $964 for the first half of 2012, down 31% from the prior year;

- Third quarter gold price-linked dividend payable of $0.35 per share, an increase of 17% over the prior year quarter, reflecting London PM Fix; and

2012 attributable gold production outlook narrowed to 5.0 to 5.1 million ounces; maintaining Company-wide *Costs applicable to sales* outlook of $625 to $675 per ounce and reducing outlook for capital expenditures to $3,300 to $3,600.

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Advancing our project pipeline

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.

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

Akyem, Ghana. Construction activities at the Akyem project continue to progress according to plan. First production is expected in late 2013 with three to six months expected for ramp-up to commercial production. 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 (based on current gold reserves). Capital costs are estimated at $850 to $1,100, of which $496 have been incurred. Total property, plant and mine development, including acquisition costs, was $744 at June 30, 2012. At December 31, 2011, we reported 7.4 million ounces of gold reserves at Akyem.

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 go slow, water first approach in Peru on June 22, 2012. Spending on the project will be reduced in 2012 and 2013 from $2,900 to $850. Focus will be on building four water reservoirs, completing the last engineering activities and accepting delivery of the main equipment purchases. Total property, plant and mine development was $1,320 at June 30, 2012. 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 the Company be unable to continue with the current development plan at Conga, the Company may reprioritize and reallocate capital to development alternatives in Nevada, Australia, Ghana and Indonesia which may result in a potential impairment of the Conga project.

Tanami Shaft, Australia. Development efforts at the Tanami Shaft continue to progress. The project supports underground expansion at the Callie and Auron ore bodies to reduce cut-off grade, enhance productivity and facilitate possible additional mine expansion. The project is expected to add 60,000 to 90,000 ounces of gold production per year during production while lowering *Costs applicable to sales* by $100 per ounce at Tanami in Other Australia/New Zealand. Capital costs are expected to be $400 to $450, of which $46 have been incurred at June 30, 2012.

Phoenix Copper Leach, Nevada. The Board of Directors authorized full funding for the Phoenix Copper Leach project in Nevada in April 2012. Delivering the Phoenix Copper Leach project on time and within budget generates positive economics and provides operational diversity to the site and the North America region. The project also demonstrates the viability of permitting copper leaching in Nevada, thus generating a springboard for future opportunities in the region. Copper production is expected to be 21 to 23 million pounds per year for the first five years of production at *Costs applicable to sales* of $1.76 to $1.91 per pound. Capital costs are expected to be $170 to $215, of which $45 have been incurred at June 30, 2012.

Emigrant, Nevada. Construction is nearing completion and first production is anticipated in the second half of 2012. Emigrant provides a new source of gold production for the North America region, over an 8.5 year mine life. Gold production is expected to be 80,000 to 90,000 ounces per year at *Costs applicable to sales* of $500 to $600 per ounce for the first five years of the mine s operating life. Capital costs are estimated at approximately $100, of which $82 have been incurred at June 30, 2012. At December 31, 2011, we reported 1.6 million ounces of gold reserves at Emigrant.

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

Merian, Suriname. Feasibility study work for the Merian project began in the third quarter of 2011 and is expected to be completed in the fourth quarter of 2012. The Company continues to negotiate for a mineral agreement with the government of Suriname. The development of the Merian project allows Newmont to pursue a new district with upside potential and the opportunity to grow and extend the operating life of the South American region. First production is targeted for 2015 with initial estimated gold production (assumes 100% basis) of 350,000 to 400,000 ounces per year. Refer to Item 2 in our 2011 10-K filing for further information.

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Long Canyon, Nevada. We continue to develop our understanding of what we expect could be another Carlin-type trend at Long Canyon. We continue to make progress on the drilling program and we anticipate an additional 30 kilometers to be drilled in 2012. Our intention is to bring the project into production in 2017 with initial estimated gold production of 200,000 to 300,000 ounces per year for the first five years of the mine s operating life.

Selected Financial and Operating Results

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Sales	$ 2,229	$ 2,384	$ 4,912	$ 4,849
Income from continuing operations	$ 371	$ 660	$ 1,045	$ 1,330
Net income	$ 371	$ 524	$ 974	$ 1,194
Net income attributable to Newmont stockholders	$ 279	$ 387	$ 769	$ 901
Per common share, basic:				
Income from continuing operations attributable to Newmont stockholders	$ 0.56	$ 1.06	$ 1.69	$ 2.10
Net income attributable to Newmont stockholders	$ 0.56	$ 0.78	$ 1.55	$ 1.82
Adjusted net income (1)	$ 294	$ 445	$ 872	$ 958
Adjusted net income per share (1)	$ 0.59	$ 0.90	$ 1.76	$ 1.94
Consolidated gold ounces (thousands)				
Produced (2)	1,362	1,393	2,841	2,904
Sold (3)	1,313	1,391	2,768	2,869
Consolidated copper pounds (millions)				
Produced	60	71	117	169
Sold	46	79	104	184
Average price received, net:				
Gold (per ounce)	$ 1,598	$ 1,501	$ 1,643	$ 1,440
Copper (per pound)	$ 2.85	$ 3.78	$ 3.49	$ 3.91
Consolidated costs applicable to sales:(4)				
Gold (per ounce)	$ 681	$ 583	$ 649	$ 570
Copper (per pound)	$ 2.35	$ 1.34	$ 2.14	$ 1.21
Attributable costs applicable to sales:(1)				
Gold (per ounce)	$ 711	$ 588	$ 672	$ 575
Copper (per pound)	$ 2.40	$ 1.41	$ 2.17	$ 1.32
Operating margin:(1)				
Gold (per ounce)	$ 917	$ 918	$ 994	$ 870
Copper (per pound)	$ 0.50	$ 2.44	$ 1.35	$ 2.70

(1) See Non-GAAP Financial Measures on page 62.

(2) Includes 13 and 18 attributable ounces in the second quarter of 2012 and 2011, respectively, from our interest in La Zanja and 5 and 4 attributable ounces in the second quarter of 2012 and 2011, respectively, from our interest in Duketon. Includes 26 and 30 attributable ounces in the first half of 2012 and 2011, respectively, from our interest in La Zanja and 9 and 8 attributable ounces in the first half of 2012 and 2011, respectively, from our interest in Duketon.

(3) Excludes development ounces.

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

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Consolidated Financial Results

Net income attributable to Newmont stockholders for the second quarter of 2012 was $279 ($0.56 per share) compared to $387 ($0.78 per share) for the second quarter of 2011. *Net income attributable to Newmont stockholders* for the first half of 2012 was $769 ($1.55 per share) compared to $901 ($1.82 per share) for the first half of 2011. Results for the second quarter and first half of 2012, respectively, compared to the same periods in 2011 were impacted by lower production from Batu Hijau, Tanami, Waihi and Ahafo, lower copper prices, timing of metal sales and higher production costs, partially offset by higher gold prices, higher production from Nevada, La Herradura and Yanacocha and a $136 *Loss from discontinued operations* in 2011.

Gold *Sales* increased 1% and 10% in the second quarter and first half of 2012, respectively, compared to the same periods in 2011 due to higher realized gold prices, partially offset by lower sales volumes. The following analysis summarizes the change in consolidated gold sales:

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Consolidated gold sales:				
Gross before provisional pricing	$ 2,111	$ 2,089	$ 4,570	$ 4,139
Provisional pricing mark-to-market	(2)	10	4	18
Gross after provisional pricing	2,109	2,099	4,574	4,157
Treatment and refining charges	(10)	(11)	(25)	(26)
Net	$ 2,099	$ 2,088	$ 4,549	$ 4,131
Consolidated gold ounces sold (thousands):	1,313	1,391	2,768	2,869
Average realized gold price (per ounce):				
Gross before provisional pricing	$ 1,607	$ 1,502	$ 1,651	$ 1,443
Provisional pricing mark-to-market	(2)	7	1	6
Gross after provisional pricing	1,605	1,509	1,652	1,449
Treatment and refining charges	(7)	(8)	(9)	(9)
Net	$ 1,598	$ 1,501	$ 1,643	$ 1,440

The change in consolidated gold sales is due to:

	Three Months Ended June 30, 2012 vs. 2011	Six Months Ended June 30, 2012 vs. 2011
Change in consolidated ounces sold	$ (117)	$ (145)
Change in average realized gold price	127	562
Change in treatment and refining charges	1	1
	$ 11	$ 418

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Copper *Sales* decreased 56% and 49% in the second quarter and first half of 2012, respectively, compared to the same periods in 2011 due to lower sales volumes and lower realized copper prices. The following analysis summarizes the change in consolidated copper sales:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Consolidated copper sales:				
Gross before provisional pricing	$ 160	$ 330	$ 379	$ 791
Provisional pricing mark-to-market	(18)	(16)	13	(28)
Gross after provisional pricing	142	314	392	763
Treatment and refining charges	(12)	(18)	(29)	(45)
Net	$ 130	$ 296	$ 363	$ 718
Consolidated copper pounds sold (millions):	46	79	104	184
Average realized copper price (per pound):				
Gross before provisional pricing	$ 3.52	$ 4.22	$ 3.65	$ 4.31
Provisional pricing mark-to-market	(0.40)	(0.21)	0.12	(0.16)
Gross after provisional pricing	3.12	4.01	3.77	4.15
Treatment and refining charges	(0.27)	(0.23)	(0.28)	(0.24)
Net	$ 2.85	$ 3.78	$ 3.49	$ 3.91

The change in consolidated copper sales is due to:

	Three Months Ended June 30, 2012 vs. 2011	Six Months Ended June 30, 2012 vs. 2011
Change in consolidated pounds sold	$ (129)	$ (327)
Change in average realized copper price	(43)	(44)
Change in treatment and refining charges	6	16
	$ (166)	$ (355)

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Gold				
North America:				
Nevada	$ 571	$ 529	$ 1,294	$ 1,111
La Herradura	93	81	186	146
	664	610	1,480	1,257
South America:				
Yanacocha	614	524	1,208	886
Asia Pacific:				
Boddington	264	269	562	501
Batu Hijau	18	92	52	232
Other Australia/New Zealand	331	375	758	790
	613	736	1,372	1,523
Africa:				
Ahafo	208	218	489	465
	2,099	2,088	4,549	4,131
Copper				
Asia Pacific:				
Batu Hijau	88	242	260	611
Boddington	42	54	103	107
	130	296	363	718
	$ 2,229	$ 2,384	$ 4,912	$ 4,849

Costs applicable to sales for gold increased in the second quarter and first half of 2012 compared to the same periods in 2011 due to higher milling costs and diesel prices, lower silver by-product credits, a stronger Australian dollar, net of hedging and a higher co-product allocation of costs to gold, partially offset by a build-up of precious metals inventory at Nevada and Yanacocha and a build-up of concentrate inventory at Boddington and Batu Hijau. *Costs applicable to sales* for copper increased in the second quarter of 2012 compared to the same period in 2011 due to higher milling costs at Boddington, partially offset by lower co-product allocation of costs to copper and a build-up of concentrate inventory at Boddington and Batu Hijau. *Costs applicable to sales* for copper in the first half of 2012 was in line with the same period of 2011. For a complete discussion regarding variations in operations, see *Results of Consolidated Operations* below.

Amortization decreased in the second quarter and first half of 2012 compared to the same periods of 2011 due to a build-up of precious metals inventory at Nevada and Yanacocha, a build-up of concentrate inventory at Boddington and Batu Hijau and longer processing facility lives resulting from an increase in Nevada reserves at December 31, 2011. We continue to expect *Amortization* to be $1,050 to $1,080 in 2012.

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

	Costs Applicable to Sales Three Months Ended June 30,		Amortization Three Months Ended June 30,		Costs Applicable to Sales Six Months Ended June 30,		Amortization Six Months Ended June 30,	
	2012	2011	2012	2011	2012	2011	2012	2011
Gold								
North America:								
Nevada	$ 258	$ 224	$ 47	$ 56	$ 525	$ 496	$ 100	$ 128
La Herradura	33	27	6	5	65	45	11	9
	291	251	53	61	590	541	111	137
South America:								
Yanacocha	177	190	62	66	338	343	112	119
Asia Pacific:								
Boddington	157	117	49	31	294	217	81	59
Batu Hijau	11	30	3	7	30	64	6	14
Other Australia/New Zealand	182	158	33	31	372	324	69	66
	350	305	85	69	696	605	156	139
Africa:								
Ahafo	76	65	16	20	172	145	40	42
	894	811	216	216	1,796	1,634	419	437
Copper								
Asia Pacific:								
Batu Hijau	70	79	14	18	155	168	30	38
Boddington	38	27	12	7	68	55	18	14
	108	106	26	25	223	223	48	52
Other								
Asia Pacific			2				3	1
Corporate and other			4	9			9	16
			6	9			12	17
	$ 1,002	$ 917	$ 248	$ 250	$ 2,019	$ 1,857	$ 479	$ 506

Exploration expense increased $17 and $43 in the second quarter and first half of 2012, respectively, compared to the same periods of 2011 due to additional expenditures in South America, Asia Pacific and Africa, partially offset by reduced expenditures at Hope Bay in North America. We lowered our expected *Exploration* expense to $360 to $390 in 2012.

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Advanced projects, research and development expense in the second quarter and first half of 2012 and 2011 are summarized as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
North America				
Nevada	$ 13	$ 7	$ 19	$ 10
Other North America		41		79
South America				
Yanacocha	7	5	13	9
Conga	10	5	36	6
Other South America	11	1	26	1
Asia Pacific				
Boddington	1	1	3	1
Batu Hijau	4		10	
Other Australia/New Zealand	5		7	3
Africa				
Ahafo	2	1	6	2
Akyem	2	1	4	1
Other Africa			1	
Corporate and Other				
Technical and project services	26	21	53	38
Corporate	1	3	6	4
	$ 82	$ 86	$ 184	$ 154

We lowered our expected *Advanced projects, research and development* expenses to $425 to $475 in 2012, with a primary focus on Merian in South America, Midas and Long Canyon in Nevada, Chaquicocha underground at Yanacocha, Elang in Indonesia and Ahafo mill expansion in Africa.

General and administrative expenses increased by $7 and $16 for the second quarter and first half of 2012, respectively, compared to the same periods of 2011 due to higher labor costs. We lowered our expected *General and administrative* expenses to $200 to $220 in 2012.

Other expense, net increased by $39 in the second quarter of 2012 compared to the second quarter of 2011 mainly due to Hope Bay care and maintenance costs and higher regional administration expense, partially offset by lower acquisition related costs in 2012. *Other expense, net* increased by $86 in the first half of 2012 compared to the first half of 2011 due to Hope Bay care and maintenance, higher regional administration expense, partially offset by the Indonesian value added tax settlement in 2011 and lower acquisition related costs. At Hope Bay, we expect to spend an additional $50 in the remainder of 2012 for care and maintenance, and approximately $25 per year thereafter.

Other income, net decreased by $12 in the second quarter of 2012 compared to the second quarter of 2011 due to lower gain on sale of investments and higher impairment losses of marketable securities, partially offset by income from developing projects and foreign currency exchange gains in 2012, compared to losses in 2011. *Other income, net* decreased by $10 in the first half of 2012 compared to the first half of 2011 due to lower gain on sale of investments and higher impairment losses of marketable securities, partially offset by reduction of allowance for loan receivable and lower foreign exchange losses.

Interest expense, net increased by $8 in the second quarter of 2012 compared to 2011 due to the issuance of the 2022 and 2042 Senior Notes during the first quarter, partially offset by the repayment of the 2012 Convertible Senior Notes. *Interest expense, net* decreased $5 for the first half of 2012 compared to 2011 due to higher capitalized interest and the repayment of the 2012 Convertible Senior Notes, partially offset by the issuance of the 2022 and 2042 Senior Notes. Capitalized interest increased by $15 and $32 in the second quarter and first half of 2012, respectively, compared to the same periods in 2011 due to increased capital expenditures. We continue to expect *Interest expense, net* to be $240 to $260 in 2012.

Income and mining tax expense during the second quarter of 2012 was $175 resulting in an effective tax rate of 32%. *Income and mining tax expense* during the second quarter of 2011 was $187 for an effective tax rate of 22%.

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Income and mining tax expense during the first half of 2012 was $518 resulting in an effective tax rate of 33%. *Income and mining tax expense* during the first half of 2011 was $492 for an effective tax rate of 27%. The increase in the effective tax rate from 2011 to 2012 is a result of the following: (i) valuation allowances recorded on our Canadian deferred tax assets generated in 2012 due to care and maintenance expenditures at Hope Bay, (ii) an increase in mining taxes included in *Income and mining tax expense*, primarily related to Nevada and Peru, and (iii) a $65 non-recurring tax benefit in the second quarter and first half of 2011, recorded in connection with the conversion of non-U.S. tax-paying entities to entities currently subject to U.S. income tax. The effective tax rates are different from the United States statutory rate of 35% primarily due to the above mentioned valuation allowance, the increase in Nevada and Peru mining taxes, the tax benefit recorded in 2011 and U.S. percentage depletion. 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, 2011 filed February 24, 2012.

We expect the 2012 consolidated tax rate to be approximately 30% to 32%, assuming an average realized gold price of $1,650 per ounce in the remainder of the year.

Net income attributable to noncontrolling interests decreased to $92 in the second quarter of 2012 compared to $137 in the second quarter of 2011 as a result of decreased earnings at Batu Hijau, partially offset by increased earnings at Yanacocha. *Net income attributable to noncontrolling interests* decreased to $205 in the first half of 2012 compared to $293 in the first half of 2011 as a result of decreased earnings at Batu Hijau, partially offset by increased earnings at Yanacocha.

Loss from discontinued operations includes an additional charge for the Holt property royalty. During the first half of 2012, the Company recorded an additional $71 charge, net of tax benefits of $4, to reflect an increase in future expected production at the Holt property due to new reserve and resource estimates published by St. Andrew Goldfields Ltd. and a higher gold price. Due to the nature of the sliding scale royalty calculation, changes in expected production and the gold price may have a significant impact on the fair value of the liability.

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Results of Consolidated Operations

	Gold or Copper Produced		Costs Applicable to Sales[1]		Amortization	
	2012	2011	2012	2011	2012	2011
Three Months Ended June 30,	(ounces in thousands)		($ per ounce)		($ per ounce)	
Gold						
North America	437	410	$ 697	$ 620	$ 125	$ 151
South America	390	342	466	545	162	187
Asia Pacific	403	495	911	620	224	141
Africa	132	146	583	446	124	138
Total/Weighted-Average	1,362	1,393	$ 681	$ 583	$ 164	$ 155
Attributable to Newmont[2][3]	1,182	1,223	$ 711	$ 588		
Net Attributable to Newmont[3]			$ 700	$ 499		
	(pounds in millions)		($ per pound)		($ per pound)	
Copper						
Asia Pacific	60	71	$ 2.35	$ 1.34	$ 0.56	$ 0.33
Attributable to Newmont[3]	38	42	$ 2.40	$ 1.41		

	Gold or Copper Produced		Costs Applicable to Sales[1]		Amortization	
	2012	2011	2012	2011	2012	2011
Six Months Ended June 30,	(ounces in thousands)		($ per ounce)		($ per ounce)	
Gold						
North America	926	892	$ 652	$ 619	$ 121	$ 157
South America	756	630	462	561	153	194
Asia Pacific	852	1,050	837	570	188	131
Africa	307	332	575	449	135	129
Total/Weighted-Average	2,841	2,904	$ 649	$ 570	$ 151	$ 152
Attributable to Newmont[3][4]	2,489	2,561	$ 672	$ 575		
Net Attributable to Newmont[3]			$ 636	$ 467		
	(pounds in millions)		($ per pound)		($ per pound)	
Copper						
Asia Pacific	117	169	$ 2.14	$ 1.21	$ 0.46	$ 0.28
Attributable to Newmont[3]	73	96	$ 2.17	$ 1.32		

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

(2) Includes 13 and 18 attributable ounces in 2012 and 2011, respectively, from our interest in La Zanja and 5 and 4 attributable ounces in 2012 and 2011, respectively, from our interest in Duketon.

(3) Attributable and Net Attributable Costs applicable to sales are non-GAAP financial measures. See page 62 for a reconciliation.

(4) Includes 26 and 30 attributable ounces in 2012 and 2011, respectively, from our interest in La Zanja and 9 and 8 attributable ounces in 2012 and 2011, respectively, from our interest in Duketon.

Second quarter 2012 compared to 2011

Consolidated gold production decreased 2% due to processing lower grade stockpiles at Batu Hijau, lower throughput at Tanami and Waihi in Other Australia/New Zealand and lower mill grade at Ahafo, partially offset by higher throughput at Nevada and higher mill production at Yanacocha. Consolidated copper production decreased 15% due to processing lower grade stockpiles at Batu Hijau.

Costs applicable to sales per consolidated gold ounce sold increased 17% due to lower production, higher mining, milling, labor and royalty costs and a higher co-product allocation of costs to gold. *Costs applicable to sales* per consolidated copper pound sold increased 75% due to lower production at Batu Hijau, partially offset by lower co-product allocation of costs to copper.

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Amortization increased 6% per consolidated gold ounce sold and 70% per consolidated copper pound sold due to lower production.

First half 2012 compared to 2011

Consolidated gold production decreased 2% due to processing lower grade stockpiles at Batu Hijau, lower throughput at Waihi and Tanami in Other Australia/New Zealand and lower grade at Ahafo, partially offset by higher throughput and grade at Nevada, higher throughput, grade and recovery at Yanacocha and higher leach placement at La Herradura. Consolidated copper production decreased 31% due to processing lower grade stockpiles at Batu Hijau.

Costs applicable to sales per consolidated gold ounce sold increased 14% due to lower production from Batu Hijau and Other Australia/New Zealand, higher mining, milling, labor and royalty costs, lower silver by-product credits and higher diesel prices, partially offset by higher production and lower mining costs at Yanacocha. *Costs applicable to sales* per consolidated copper pound sold increased 77% due to lower production at Batu Hijau.

Amortization per consolidated gold ounce sold was in line with the prior year, while *Amortization* increased 64% per consolidated copper pound sold due to higher costs at Boddington and Batu Hijau.

We narrowed our 2012 attributable gold production outlook to 5.0 to 5.1 million ounces while maintaining consolidated *Costs applicable to sales* per ounce of $625 to $675. The lower attributable gold production outlook is due to lower tons mined at Tanami and Waihi in Asia Pacific. We lowered our copper production outlook to 145 to 165 million pounds attributable to Newmont while maintaining consolidated *Costs applicable to sales* per pound of $1.80 to $2.20 in 2012.

North America Operations

	Gold Ounces Produced		**Costs Applicable to Sales[1]**		**Amortization**	
	2012	**2011**	**2012**	**2011**	**2012**	**2011**
Three Months Ended June 30,	**(in thousands)**		**($ per ounce)**		**($ per ounce)**	
Nevada	378	357	$ 718	$ 636	$ 129	$ 159
La Herradura[2]	59	53	569	514	99	98
Total/Weighted-Average	437	410	$ 697	$ 620	$ 125	$ 151
Attributable to Newmont	437	410	$ 697	$ 620		

	Gold Ounces Produced		**Costs Applicable to Sales[1]**		**Amortization**	
	2012	**2011**	**2012**	**2011**	**2012**	**2011**
Six Months Ended June 30,	**(in thousands)**		**($ per ounce)**		**($ per ounce)**	
Nevada	813	790	$ 663	$ 640	$ 125	$ 165
La Herradura[2]	113	102	574	456	97	95
Total/Weighted-Average	926	892	$ 652	$ 619	$ 121	$ 157
Attributable to Newmont	926	892	$ 652	$ 619		

(1) Excludes *Amortization* and *Reclamation and remediation*.
(2) Our proportionate 44% share.

Second quarter 2012 compared to 2011

Nevada, USA. Gold production increased 6% due to higher throughput at Mill 6, partially offset by lower grade at Midas and Phoenix. *Costs applicable to sales* per ounce increased 13% due to higher underground mining costs at Exodus and Chukar, higher royalties and lower by-product credits. *Amortization* per ounce decreased 19% due to higher production and an increase in reserves at December 31, 2011 resulting in longer processing facility lives.

La Herradura, Mexico. Gold production increased 11% due to higher leach placement as Noche Buena commenced production during the first quarter of 2012. *Costs applicable to sales* per ounce increased 11% due to mining higher waste tons, higher diesel and higher employee profit sharing costs.

First half 2012 compared to 2011

Nevada, USA. Gold production increased 3% due to higher throughput and leach tons placed, partially offset by lower grade at Midas and Phoenix. *Costs applicable to sales* per ounce increased 4% due to higher underground mining costs, higher milling costs, higher royalties and lower by-product credits. *Amortization* per ounce decreased 24% due to higher production and an increase in reserves at December 31, 2011 resulting in longer processing facility lives.

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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)

La Herradura, Mexico. Gold production increased 11% due to higher ore tons mined and higher leach placement as Noche Buena commenced production. *Costs applicable to sales* per ounce increased 26% due to mining higher waste tons, higher diesel and higher employee profit sharing costs.

We narrowed our gold production outlook in North America to 1.9 to 2.0 million ounces at *Costs applicable to sales* per ounce of $570 to $630 in 2012.

South America Operations

	Gold Ounces Produced		Costs Applicable to Sales(1)		Amortization	
	2012	2011	2012	2011	2012	2011
Three Months Ended June 30,	(in thousands)		($ per ounce)		($ per ounce)	
Yanacocha	390	342	$ 466	$ 545	$ 162	$ 187
Attributable to Newmont:						
Yanacocha (51.35%)	200	175	$ 486	$ 563		
La Zanja (46.94%)	13	18	N/A	N/A		
	213	193	$ 486	$ 563		

	Gold Ounces Produced		Costs Applicable to Sales(1)		Amortization	
	2012	2011	2012	2011	2012	2011
Six Months Ended June 30,	(in thousands)		($ per ounce)		($ per ounce)	
Yanacocha	756	630	$ 462	$ 561	$ 153	$ 194
Attributable to Newmont:						
Yanacocha (51.35%)	388	323	$ 482	$ 579		
La Zanja (46.94%)	26	30	N/A	N/A		
	414	353	$ 482	$ 579		

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

Second quarter 2012 compared to 2011

Yanacocha, Peru. Gold production increased 14% due to higher mill grade and recovery, partially offset by lower leach placement at Yanacocha, Carachugo and La Quinua. *Costs applicable to sales* per ounce decreased 14% due to higher production and lower mining costs, partially offset by higher workers participation costs and lower by-product credits. *Amortization* per ounce decreased 13% due to higher production.

First half 2012 compared to 2011

Yanacocha, Peru. Gold production increased 20% due to higher mill throughput, grade and recovery, partially offset by lower leach placement at Yanacocha, Carachugo and La Quinua. *Costs applicable to sales* per ounce decreased 18% due to higher production and lower mining costs, partially offset by higher workers participation costs and royalties and lower by-product credits. *Amortization* per ounce decreased 21% due to higher production and increases to leach pad inventory.

We narrowed our attributable gold production outlook in South America to 725,000 to 760,000 ounces while lowering consolidated *Costs applicable to sales* per ounce of $475 to $525 in 2012.

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Asia Pacific Operations

Three Months Ended June 30,	Gold or Copper Produced 2012	2011	Costs Applicable to Sales[1] 2012	2011	Amortization 2012	2011
	(ounces in thousands)		($ per ounce)		($ per ounce)	
Gold						
Boddington	180	201	$ 947	$ 641	$ 300	$ 173
Batu Hijau	16	50	943	490	197	113
Other Australia/New Zealand	207	244	880	638	164	124
Total/Weighted-Average	403	495	$ 911	$ 620	$ 224	$ 141
Attributable to Newmont[2]	400	474	$ 910	$ 629		
	(pounds in millions)		($ per pound)		($ per pound)	
Copper						
Boddington	18	15	$ 2.79	$ 1.94	$ 0.82	$ 0.52
Batu Hijau	42	56	2.20	1.23	0.45	0.28
Total/Weighted-Average	60	71	$ 2.35	$ 1.34	$ 0.56	$ 0.33
Attributable to Newmont	38	42	$ 2.40	$ 1.41		

Six Months Ended June 30,	Gold or Copper Produced 2012	2011	Costs Applicable to Sales[1] 2012	2011	Amortization 2012	2011
	(ounces in thousands)		($ per ounce)		($ per ounce)	
Gold						
Boddington	342	364	$ 862	$ 620	$ 239	$ 170
Batu Hijau	38	143	924	384	179	86
Other Australia/New Zealand	472	543	812	595	151	120
Total/Weighted-Average	852	1,050	$ 837	$ 570	$ 188	$ 131
Attributable to Newmont[2]	842	984	$ 835	$ 587		
	(pounds in millions)		($ per pound)		($ per pound)	
Copper						
Boddington	32	28	$ 2.34	$ 2.06	$ 0.60	$ 0.53
Batu Hijau	85	141	2.08	1.07	0.40	0.24
Total/Weighted-Average	117	169	$ 2.14	$ 1.21	$ 0.46	$ 0.28
Attributable to Newmont	73	96	$ 2.17	$ 1.32		

(1) Excludes *Amortization* and *Reclamation and remediation*.
(2) Includes 5 and 4 attributable ounces in the second quarter 2012 and 2011, respectively, and 9 and 8 attributable ounces in the first half of 2012 and 2011, respectively, from our interest in Duketon.

Second quarter 2012 compared to 2011

Boddington, Australia. Gold production decreased 10% due to lower mill grade and recovery, partially offset by higher mill throughput. Copper production increased 20% due to higher mill throughput and grade, partially offset by lower recovery. Gold *Costs applicable to sales* increased 48% per ounce due to lower gold production and higher milling costs. Copper *Costs applicable to sales* increased 44% per pound due to higher milling costs, partially offset by higher copper production. *Costs applicable to sales* per ounce and per pound were also impacted by a stronger Australian dollar, net of hedging gains. *Amortization* increased 73% per ounce due to lower gold production and a decrease in stockpile inventory. *Amortization* increased 58% per pound due to stockpile inventory changes.

Batu Hijau, Indonesia. Gold and copper production decreased 68% and 25%, respectively, due to processing lower grade stockpile ore. Waste tons mined increased 14% as Phase 6 waste removal continues as planned. *Costs applicable to sales* increased 92% per ounce and 79% per pound due to lower production and higher waste mining costs, partially offset by a build-up in concentrate inventory. *Costs applicable to sales* per ounce and per pound were also impacted by a higher allocation of costs to gold. *Amortization* increased 74% per ounce and 61% per pound due to lower production.

Other Australia/New Zealand. Gold production decreased 15% due to lower underground mining rates at Tanami and a delay in open pit ore production at Waihi, partially offset by higher throughput and grade at Jundee. *Costs applicable to sales* per ounce increased 38% due to lower production, higher operating costs driven by higher power prices and a stronger Australian dollar, net of hedging gains. *Amortization* per ounce increased 32% due to lower production.

First half 2012 compared to 2011

Boddington, Australia. Gold production decreased 6% due to lower mill grade and recovery, partially offset by higher mill throughput. Copper production increased 14% due to higher mill throughput, partially offset by lower recovery. *Costs applicable to sales* increased 39% per ounce and 14% per pound due to lower gold production, higher milling costs, higher diesel prices and a stronger Australian dollar, net of hedging gains, partially offset by higher copper production. *Amortization* increased 41% per ounce due to lower gold production and a decrease in stockpile inventory. *Amortization* increased 13% per pound due to stockpile inventory changes.

Batu Hijau, Indonesia. Gold and copper production decreased 73% and 40%, respectively, due to processing lower grade stockpile ore. Waste tons mined increased 20% as Phase 6 waste removal continues as planned. The Company expects to reach Phase 6 ore in the last half of 2013. *Costs applicable to sales* increased 141% per ounce and 94% per pound due to lower production and higher waste mining costs, partially offset by a build-up in concentrate inventory. *Costs applicable to sales* per ounce and per pound were impacted by higher allocation of costs to gold. *Amortization* increased 108% per ounce and 67% per pound due to lower production.

Other Australia/New Zealand. Gold production decreased 13% due to lower underground mining rates at Tanami, a planned mill shutdown and delay in open pit ore production at Waihi and lower throughput and grade at Kalgoorlie. *Costs applicable to sales* per ounce increased 36% due to lower production and higher operating costs driven by higher power costs and diesel prices and a stronger Australian dollar, net of hedging gains. *Amortization* per ounce increased 26% due to lower production.

We narrowed our attributable gold production outlook for Asia Pacific to 1.7 to 1.8 million ounces while maintaining a consolidated *Costs applicable to sales* per ounce of $800 to $850. The lower attributable gold production is primarily due to lower tons mined at Tanami and Waihi. We lowered our attributable copper production outlook to 145 to 165 million pounds while maintaining consolidated *Costs applicable to sales* per pound of $1.80 to $2.20 in 2012.

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Africa Operations

Three Months Ended June 30,	Gold Ounces Produced 2012	2011	Costs Applicable to Sales[(1)] 2012	2011	Amortization 2012	2011
	(in thousands)		($ per ounce)		($ per ounce)	
Ahafo	132	146	$ 583	$ 446	$ 124	$ 138
Attributable to Newmont	132	146	$ 583	$ 446		

Six Months Ended June 30,	Gold Ounces Produced 2012	2011	Costs Applicable to Sales[(1)] 2012	2011	Amortization 2012	2011
	(in thousands)		($ per ounce)		($ per ounce)	
Ahafo	307	332	$ 575	$ 449	$ 135	$ 129
Attributable to Newmont	307	332	$ 575	$ 449		

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

Second quarter 2012 compared to 2011

Ahafo, Ghana. Gold production decreased 10% due to lower mill throughput and grade, partially offset by higher recovery. *Costs applicable to sales* per ounce increased 31% due to lower production and higher labor, diesel and mine maintenance costs.

First half 2012 compared to 2011

Ahafo, Ghana. Gold production decreased 8% due to lower mill throughput and grade, partially offset by higher recovery. *Costs applicable to sales* per ounce increased 28% due to lower production and higher labor, diesel and mine maintenance costs.

We narrowed our attributable gold production outlook in Africa to 555,000 to 570,000 ounces at *Costs applicable to sales* per ounce of $550 and $600 in 2012. The lower attributable production is due to processing lower grade at Ahafo.

Foreign Currency Exchange Rates

Our foreign operations sell their gold and copper production based on U.S. dollar metal prices. Approximately 44% and 43% of our *Costs applicable to sales* were paid in local currencies during the second quarter of 2012 and 2011, respectively. Approximately 44% and 42% of our *Costs applicable to sales* were paid in local currencies during the first half of 2012 and 2011, respectively. Variations in the local currency exchange rates in relation to the U.S. dollar at our foreign mining operations decreased consolidated *Costs applicable to sales* per ounce by approximately $11 and $2, net of hedging gains, during the second quarter and first half of 2012, respectively, compared to the same periods in 2011.

Liquidity and Capital Resources

Cash Provided from Operating Activities

Net cash provided from continuing operations was $964 in the first half of 2012, a decrease of $439 from the first half of 2011, primarily due to lower cash flow from Batu Hijau. Working capital increased by $228 in the first half of 2012 compared to the first half of 2011 due to increases in inventory and stockpiles in 2012, a decrease in accounts receivable in 2011 related to the collection of Batu Hijau fourth quarter 2010 copper and gold concentrate sales and an increase in *Costs applicable to sales* in 2012 as discussed above in *Consolidated Financial Results*, partially offset by a decrease in income tax payments.

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Investing Activities

Net cash used in investing activities decreased to $1,714 during the first half of 2012 compared to $3,280 during the same period of 2011, due largely to the acquisition of Fronteer in 2011. Additions to property, plant and mine development were as follows:

	Six Months Ended June 30, 2012	2011
North America:		
Nevada	$ 370	$ 228
La Herradura	29	27
Other North America		41
	399	296
South America:		
Yanacocha	243	127
Conga	342	251
	585	378
Asia Pacific:		
Boddington	52	75
Batu Hijau	61	88
Other Australia/New Zealand	137	134
Other Asia Pacific	8	4
	258	301
Africa:		
Ahafo	108	37
Akyem	189	67
	297	104
Corporate and Other	37	18
Accrual basis	1,576	1,097
Decrease (increase) in accrued capital expenditures	2	(77)
Cash basis	$ 1,578	$ 1,020

Capital expenditures in North America during the first half of 2012 were primarily related to development of the Emigrant mine and the Phoenix copper leach projects, 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 Asia Pacific 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 project at Ahafo. As a result of the revised estimates for the Conga project in Peru we now expect 2012 consolidated capital expenditures to be $3,300 to $3,600 ($2,700 to $3,000 attributable to Newmont).

Capital expenditures in North America during the first half of 2011 were primarily related to development at the Turf/Leeville, Midas, Exodus and Pete Bajo underground projects in Nevada, infrastructure at the Hope Bay project in Canada and sustaining mine development. Capital expenditures in South America were primarily related to Conga and leach pad and surface mine development at Yanacocha. The majority of capital expenditures in Asia Pacific were for surface and underground development, equipment, tailings facility construction and infrastructure improvements. Capital expenditures in Africa were primarily related to Akyem and the Subika expansion project at Ahafo.

Proceeds from sale of marketable securities. During the first half of 2012 we received $106 from the sale of corporate marketable debt securities. During the first half of 2011, we received $55 from the sale of our investment in New Gold, Inc.

Purchases of marketable securities. During the first half of 2012 we purchased corporate marketable debt securities of $196. During the first half of 2011, we purchased marketable equity securities of $15.

Acquisitions, net. During the first half of 2012 and 2011, we paid $22 and $13, respectively, of contingent payments in accordance with the 2009 Boddington acquisition agreement.

On April 6, 2011, Newmont acquired all of the outstanding common shares of Fronteer Gold Inc. (Fronteer) for total consideration of $2,259 less cash received from the acquisition of $2 for a net payment of $2,257. In connection with the acquisition, Newmont incurred transaction costs of $21 during first half of 2011, which were recorded in *Other Expense, net*.

Proceeds from sale of other assets. During the first half of 2012, we received $13 from the sale of land and other assets. During the first half of 2011 we received $6 primarily from the sale of investments.

Financing Activities

Net cash provided from (used in) financing activities was $894 and $(380) during the first half of 2012 and 2011, respectively.

Proceeds from and repayment of debt. During the first half 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 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 $135 related to exercising the early purchase option and revised quarterly payments related to the sale-leaseback of the refractory ore treatment plant in Nevada (classified as a capital lease).

At June 30, 2012, $532 of the $3,000 revolving credit facility was used to secure the issuance of letters of credit, primarily supporting reclamation obligations (see *Off-Balance Sheet Arrangements* below). During the first half of 2011, we borrowed $803 under our Revolving Credit Facility and paid debt issuance costs of $28. We repaid $973 of debt, including repayment of $713 under our Revolving Credit Facility and scheduled debt repayments of $223 for our 8 5/8 Senior Notes, $30 related to the sale-leaseback of the refractory ore treatment plant and $7 on other credit facilities and capital leases.

Scheduled minimum debt repayments are $35 for the remainder of 2012, $10 in 2013, $533 in 2014, $10 in 2015, $10 in 2016 and $5,530 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 June 30, 2012 and 2011, 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.

Dividends paid to common stockholders. We declared regular quarterly dividends totaling $0.70 and $0.35 per common share for the six months ended June 30, 2012 and 2011, respectively. Additionally, Newmont Mining Corporation of Canada Limited, a subsidiary of the Company, declared regular quarterly dividends on its exchangeable shares totaling C$0.6959 per share through June 30, 2012 and C$0.3403 through June 30, 2011. We paid dividends of $347 and $173 to common stockholders in the first half of 2012 and 2011, respectively.

Dividends paid to noncontrolling interests. We paid dividends of $3 and $17 to noncontrolling interests during the first half of 2012 and 2011, respectively. The payments in 2011 included $15 of Indonesian withholding taxes related to dividends paid to noncontrolling interests in December 2010.

Proceeds from stock issuance. We received proceeds of $15 and $8 during the first half of 2012 and 2011, respectively, from the issuance of common stock.

Discontinued Operations

Net operating cash used in discontinued operations was $8 and $2 in the first half of 2012 and 2011, respectively, related to payments on the Holt property royalty.

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Off-Balance Sheet Arrangements

We have the following off-balance sheet arrangements: operating leases (as discussed in Note 29 to the Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 24, 2012) and $1,661 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):

	2012	2013	2014	2015	2016	Thereafter
Batu Hijau	369	372	510			
Boddington	121	226	193	154	154	253
Nevada	75					
	565	598	703	154	154	253

Other Liquidity Matters

At June 30, 2012, the Company had $1,897 in cash and cash equivalents, of which $1,365 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 June 30, 2012, $511 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 June 30, 2012, $408 in consolidated cash and cash equivalents ($264 attributable to Newmont) was held at certain foreign subsidiaries that, if repatriated and depending on the jurisdiction could 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 June 30, 2012 and December 31, 2011, $1,145 and $1,070, 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, $191 and $170 were accrued for such obligations at June 30, 2012 and December 31, 2011, respectively. We spent $27 and $8 during the first half of 2012 and 2011, respectively, for environmental obligations related to the former, primarily historic, mining activities and have classified $22 as a current liability at June 30, 2012.

During the first half of 2012 and 2011, capital expenditures were approximately $86 and $55, 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.

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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

Management of the Company uses *Adjusted net income* to evaluate the Company s operating performance, and for planning and forecasting future business operations. The Company believes the use of *Adjusted net income* allows investors and analysts to compare 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* are evaluated periodically and based, in part, on a review of non-GAAP financial measures used by mining industry analysts. *Net income attributable to Newmont stockholders* is reconciled to *Adjusted net income* as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Net income attributable to Newmont stockholders	$ 279	$ 387	$ 769	$ 901
Loss from discontinued operations		136	71	136
Impairments/asset sales, net	7	(30)	24	(32)
Boddington contingent consideration	8		8	
Fronteer acquisition costs		17		18
Income tax benefit from internal restructuring		(65)		(65)
Adjusted net income	$ 294	$ 445	$ 872	$ 958
Adjusted net income per share, basic	$ 0.59	$ 0.90	$ 1.76	$ 1.94
Adjusted net income per share, diluted	$ 0.59	$ 0.89	$ 1.74	$ 1.91

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.

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Costs applicable to sales per ounce

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Costs applicable to sales:				
Consolidated per financial statements	$ 894	$ 811	$ 1,796	$ 1,634
Noncontrolling interests[(1)]	(96)	(111)	(187)	(205)
Attributable to Newmont	$ 798	$ 700	$ 1,609	$ 1,429
Gold sold (thousand ounces):				
Consolidated	1,313	1,391	2,768	2,869
Noncontrolling interests[(1)]	(191)	(201)	(373)	(383)
Attributable to Newmont	1,122	1,190	2,395	2,486
Costs applicable to sales per ounce:				
Consolidated	$ 681	$ 583	$ 649	$ 570
Attributable to Newmont	$ 711	$ 588	$ 672	$ 575

Costs applicable to sales per pound

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Costs applicable to sales:				
Consolidated per financial statements	$ 108	$ 106	$ 223	$ 223
Noncontrolling interests[(1)]	(36)	(41)	(80)	(87)
Attributable to Newmont	$ 72	$ 65	$ 143	$ 136
Copper sold (million pounds):				
Consolidated	46	79	104	184
Noncontrolling interests[(1)]	(16)	(33)	(38)	(81)
Attributable to Newmont	30	46	66	103
Costs applicable to sales per pound:				
Consolidated	$ 2.35	$ 1.34	$ 2.14	$ 1.21
Attributable to Newmont	$ 2.40	$ 1.41	$ 2.17	$ 1.32

Net attributable costs applicable to sales per ounce

	Three Months Ended June 30, 2012	Three Months Ended June 30, 2011	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
Attributable costs applicable to sales:				
Gold	$ 798	$ 700	$ 1,609	$ 1,429
Copper	72	65	143	136
	870	765	1,752	1,565
Copper revenue:				

Consolidated	(130)	(296)	(363)	(718)
Noncontrolling interests[1]	45	125	134	315
	(85)	(171)	(229)	(403)
Net attributable costs applicable to sales	$ 785	$ 594	$ 1,523	$ 1,162
Attributable gold ounces sold (thousands)	1,122	1,190	2,395	2,486
Net attributable costs applicable to sales per ounce	$ 700	$ 499	$ 636	$ 467

(1) Relates to partners interests in Batu Hijau and Yanacocha

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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 June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Average realized price per ounce	$ 1,598	$ 1,501	$ 1,643	$ 1,440
Costs applicable to sales per ounce	(681)	(583)	(649)	(570)
	$ 917	$ 918	$ 994	$ 870

	Copper			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Average realized price per pound	$ 2.85	$ 3.78	$ 3.49	$ 3.91
Costs applicable to sales per pound	(2.35)	(1.34)	(2.14)	(1.21)
	$ 0.50	$ 2.44	$ 1.35	$ 2.70

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, 2011, 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.

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.

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 also utilize foreign currency contracts to hedge a portion of the Company s A$ denominated capital expenditures related to the construction of the Akyem project in Africa and the Tanami mine shaft in Australia. The hedging instruments are fixed forward contracts with expiration dates ranging up to three years. 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.

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Foreign Currency Exchange Risk

We had the following foreign currency derivative contracts outstanding at June 30, 2012:

	Expected Maturity Date						
	2012	2013	2014	2015	2016	2017	Total Average
A$ Operating Fixed Forward Contracts:							
A$ notional (millions)	641	1,048	762	471	244	28	3,194
Average rate ($/A$)	0.93	0.93	0.90	0.89	0.90	0.88	0.91
Expected hedge ratio	78 %	68 %	50 %	33 %	17 %	4 %	
A$ Capital Fixed Forward Contracts:							
A$ notional (millions)	27	51	22				100
Average rate ($/A$)	1.00	0.98	0.96				0.98
Expected hedge ratio	37 %	28 %	40 %				
NZ$ Operating Fixed Forward Contracts:							
NZ$ notional (millions)	41	37	4				82
Average rate ($/NZ$)	0.78	0.78	0.78				0.78
Expected hedge ratio	60 %	29 %	8 %				

The fair value of the A$ foreign currency operating derivative contracts was a net asset position of $220 and $223 at June 30, 2012 and December 31, 2011, respectively. The fair value of the NZ$ foreign currency derivative contracts was a net asset position of $1 and $1 at June 30, 2012 and December 31, 2011, respectively. The fair value of the A$ capital foreign currency contracts was a net asset position and net liability position of $2 and $1 at June 30, 2012 and December 31, 2011, respectively.

Diesel Price Risk

We had the following diesel derivative contracts outstanding at June 30, 2012:

	Expected Maturity Date				
	2012	2013	2014	2015	Total Average
Diesel Fixed Forward Contracts:					
Diesel gallons (millions)	16	22	10	1	49
Average rate ($/gallon)	2.91	2.92	2.88	2.85	2.91
Expected hedge ratio	71 %	50 %	24 %	8 %	

The fair value of the diesel derivative contracts was a net liability position of $8 at June 30, 2012 and a net asset position of $1 at December 31, 2011.

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*. 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.

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Fair Value Hedges

Interest Rate Risk

We had $222 fixed to floating swap contracts designated as a hedge against debt which matured in May 2011.

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 $3.57 per pound during the three months ended June 30, 2012, compared with the Company s recorded average provisional price of $3.52 per pound before mark-to-market adjustments and treatment and refining charges. LME copper prices averaged $3.67 per pound during the six months ended June 30, 2012, compared with the Company s recorded average provisional price of $3.65 per pound before mark-to-market adjustments and treatment and refining charges. During the three and six months ended June 30, 2012, changes in copper prices resulted in a provisional pricing mark-to-market loss of $18 ($0.40 per pound) and gain of $13 ($0.12 per pound), respectively. At June 30, 2012, Newmont had copper sales of 40 million pounds priced at an average of $3.44 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 attributable to Newmont stockholders. The LME closing settlement price at June 30, 2012 for copper was $3.45 per pound.

The average London P.M. fix for gold was $1,609 per ounce during the three months ended June 30, 2012, compared with the Company s recorded average provisional price of $1,607 per ounce before mark-to-market adjustments and treatment and refining charges. The average London P.M. fix for gold was $1,651 per ounce during the six months ended June 30, 2012, compared to the Company s recorded average provisional price of $1,651 per ounce before mark-to-market adjustments and treatment and refining charges. During the three and six months ended June 30, 2012, changes in gold prices resulted in a provisional pricing mark-to-market loss of $2 ($2 per ounce) and gain of $4 ($1 per ounce), respectively. At June 30, 2012, Newmont had gold sales of 74,000 ounces priced at an average of $1,600 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 attributable to Newmont stockholders. The London P.M. closing settlement price at June 30, 2012 for gold was $1,599 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.

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, 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. 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.

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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, 2011, as filed with the SEC on February 24, 2012.

ITEM 2. ISSUER PURCHASES OF EQUITY SECURITIES.

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid Per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares that may yet be Purchased under the Plans or Programs
April 1, 2012 through April 30, 2012				N/A
May 1, 2012 through May 31, 2012				N/A
June 1, 2012 through June 30, 2012				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.

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.

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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.

NEWMONT MINING CORPORATION

(Registrant)

Date: July 26, 2012

/s/ RUSSELL BALL
Russell Ball

Executive Vice President and Chief Financial Officer

(Principal Financial Officer)

Date: July 26, 2012

/s/ DAVID OTTEWELL
David Ottewell

Vice President and Controller

(Principal Accounting Officer)

EXHIBIT INDEX

Exhibit Number	Description
10.1	Annual Incentive Compensation Program of Newmont, as amended and restated, effective January 1, 2012, filed herewith.
10.2	Senior Executive Compensation Program of Newmont, as amended and restated, effective January 1, 2012, filed herewith.
10.3	Strategic Stock Unit Bonus Program for Grades E-5 to E-6 of Newmont, effective January 1, 2012, filed herewith.
10.4	Transition Agreement between Newmont International Services Limited and Guy Lansdown, effective May 18, 2012, 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 Chief Financial Officer, filed herewith.
32.1	Statement Required by 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 signed by 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 Chief 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
	101.DEF XBRL Taxonomy Extension Definition

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