

COMMERCE BANCORP INC /NJ/

Form 4

March 23, 2005

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
PAULS DOUGLAS J

(Last) (First) (Middle)

COMMERCE BANCORP,
INC., 1701 ROUTE 70 EAST

(Street)

CHERRY HILL, NJ 08034

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading
Symbol

COMMERCE BANCORP INC /NJ/
[CBH]

3. Date of Earliest Transaction
(Month/Day/Year)
03/21/2005

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
__X__ Officer (give title below) ____ Other (specify below)
Senior Vice President

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) | | |
|---------------------------------------|---|---|--------------------------------------|---|--|--|---|--------------------------------------|---------|
| | | | Code | V | Amount | (A) or (D) | Price | | |
| Common Stock | | | | | 12,548 ⁽²⁾ | D | | | |
| Common Stock | 03/21/2005 | | J ⁽¹⁾ | 17 | A | \$ 29.04 | 1,383 ⁽²⁾ | I | By Wife |
| Common Stock | | | | | 10,927 ⁽²⁾ | I | | ESOP Allocation ⁽³⁾ | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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information contained in this form are not**

SEC 1474
(9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned Following Report Transaction (Instr. 6) |
|---|--|---|---|--------------------------------------|--|--|---|---|--|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| PAULS DOUGLAS J COMMERCE BANCORP, INC. 1701 ROUTE 70 EAST CHERRY HILL, NJ 08034 | | | Senior Vice President | |

Signatures

Douglas J. Pauls 03/21/2005

Signature of
Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) J - Purchase under DRIP
- (2) Reflects the company's two-for-one stock split, in the form of a 100% stock dividend, that was declared on February 15, 2005 and effective March 7, 2005
- (3) Reflects ESOP Allocations that have occurred since the date of the reporting person's last ownership report.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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Total liabilities and equity

\$

20,715

\$

20,646

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

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NEWMONT MINING CORPORATION

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| | Common Stock Shares (in millions) | Amount | Treasury Stock Shares | Amount | Additional Paid-In Capital | Accumulated Other Comprehensive Income (Loss) | Retained Earnings | Noncontrolling Interests | Total Equity |
|---|---|--------|--------------------------|---------|----------------------------------|--|----------------------|-----------------------------|-----------------|
| Balance at December 31, 2015 | 530 | \$ 847 | — | \$ (11) | \$ 9,438 | \$ (334) | \$ 1,354 | \$ 2,924 | \$ 14,218 |
| Net income (loss) | — | — | — | — | — | — | (629) | (314) | (943) |
| Dividends declared | — | — | — | — | — | — | (67) | (146) | (213) |
| Distributions declared to noncontrolling interests | — | — | — | — | — | — | — | (21) | (21) |
| Cash calls requested from noncontrolling interests | — | — | — | — | — | — | — | 81 | 81 |
| Acquisition of noncontrolling interests | — | — | — | — | — | — | — | (19) | (19) |
| Divestiture of noncontrolling interests, net | — | — | — | — | — | — | — | (1,383) | (1,383) |
| Withholding of employee taxes related to stock-based compensation | — | — | — | (5) | — | — | — | — | (5) |
| Stock based awards and related share issuances | 1 | 3 | — | — | 67 | — | — | — | 70 |
| Balance at December 31, 2016 | 531 | \$ 850 | — | \$ (16) | \$ 9,505 | \$ (334) | \$ 658 | \$ 1,122 | \$ 11,785 |
| Net income (loss) | — | — | — | — | — | — | (114) | 5 | (109) |
| Other comprehensive income (loss) | — | — | — | — | — | 42 | — | — | 42 |
| Dividends declared | — | — | — | — | — | — | (134) | — | (134) |
| Distributions declared to noncontrolling interests | — | — | — | — | — | — | — | (170) | (170) |
| Cash calls requested from noncontrolling interests | — | — | — | — | — | — | — | 97 | 97 |

Explanation of Responses:

| | | | | | | | | | |
|---|-----|--------|-----|---------|----------|----------|--------|--------|-----------|
| Acquisition of noncontrolling interests | — | — | — | — | 22 | — | — | (70) | (48) |
| Withholding of employee taxes related to stock-based compensation | — | — | (1) | (14) | — | — | — | — | (14) |
| Stock based awards and related share issuances | 3 | 5 | — | — | 65 | — | — | — | 70 |
| Balance at December 31, 2017 | 534 | \$ 855 | (1) | \$ (30) | \$ 9,592 | \$ (292) | \$ 410 | \$ 984 | \$ 11,519 |
| Cumulative-effect adjustment of adopting ASU No. 2016-01 | — | — | — | — | — | 115 | (115) | — | — |
| Cumulative-effect adjustment of adopting ASU No. 2018-02 | — | — | — | — | — | (96) | 96 | — | — |
| Net income (loss) | — | — | — | — | — | — | 341 | 40 | 381 |
| Other comprehensive income (loss) | — | — | — | — | — | (11) | — | — | (11) |
| Sale of noncontrolling interest | — | — | — | — | — | — | — | — | — |
| Dividends declared | — | — | — | — | — | — | (301) | — | (301) |
| Distributions declared to noncontrolling interests | — | — | — | — | — | — | — | (160) | (160) |
| Cash calls requested from noncontrolling interests | — | — | — | — | — | — | — | 99 | 99 |
| Repurchase and retirement of common stock | (2) | (4) | — | — | (46) | — | (48) | — | (98) |
| Withholding of employee taxes related to stock-based compensation | — | — | (1) | (40) | — | — | — | — | (40) |
| Stock-based awards and related share issuances | 3 | 4 | — | — | 72 | — | — | — | 76 |
| Balance at December 31, 2018 | 535 | \$ 855 | (2) | \$ (70) | \$ 9,618 | \$ (284) | \$ 383 | \$ 963 | \$ 11,465 |

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

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NEWMONT MINING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

NOTE 1 THE COMPANY

Newmont Mining Corporation and its affiliates and subsidiaries (collectively, “Newmont,” “we,” “us” or the “Company”) predominantly operate in the mining industry, focused on the production of and exploration for gold and copper. The Company has significant assets and/or operations in the United States (“U.S.”), Australia, Peru, Ghana and Suriname. The cash flow and profitability of the Company’s operations are significantly affected by the market price of gold and copper. The prices of gold and copper are affected by numerous factors beyond the Company’s control.

References to “A\$” refer to Australian currency and “C\$” refer to Canadian currency.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Risks and Uncertainties

As a global mining company, the Company’s revenue, profitability and future rate of growth are substantially dependent on prevailing prices for gold and copper. Historically, the commodity markets have been very volatile, and there can be no assurance that commodity prices will not be subject to wide fluctuations in the future. A substantial or extended decline in commodity prices could have a material adverse effect on the Company’s financial position, results of operations, cash flows, access to capital and on the quantities of reserves that the Company can economically produce. The carrying value of the Company’s Property, plant and mine development, net; Inventories; Stockpiles and ore on leach pads; and Deferred income tax assets are particularly sensitive to the outlook for commodity prices. A decline in the Company’s price outlook from current levels could result in material impairment charges related to these assets.

In addition to changes in commodity prices, other factors such as changes in mine plans, increases in costs, geotechnical failures, and changes in social, environmental or regulatory requirements can adversely affect the Company’s ability to recover its investment in certain assets and result in impairment charges.

Minera Yanacocha S.R.L. (“Yanacocha”) includes the mining operations at Yanacocha and the Conga project in Peru. Under the current social and political environment, the Company does not anticipate being able to develop Conga for at least the next five years. As a result of the uncertainty surrounding the Conga project, the Company has allocated its development capital to other projects. Should the Company be unable to develop the Conga project, the Company may have to consider other alternatives for the project, which may result in a future impairment charge. The total assets at Conga as of December 31, 2018 and 2017 were \$1,621 and \$1,650 respectively.

Use of Estimates

The Company’s Consolidated Financial Statements have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). The preparation of the Company’s Consolidated Financial Statements requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and the related disclosure of contingent assets and liabilities at the date of the Consolidated Financial Statements and the reported

Explanation of Responses:

amounts of revenues and expenses during the reporting period. The more significant areas requiring the use of management estimates and assumptions relate to mineral reserves that are the basis for future cash flow estimates utilized in impairment calculations and units-of-production amortization calculations; environmental remediation, reclamation and closure obligations; estimates of recoverable gold and other minerals in stockpile and leach pad inventories; estimates of fair value for certain reporting units and asset impairments (including impairments of long-lived assets and investments); write-downs of inventory, stockpiles and ore on leach pads to net realizable value; post-employment, post-retirement and other employee benefit liabilities; valuation allowances for deferred tax assets; provisional amounts related to income tax effects of newly enacted tax laws; reserves for contingencies and litigation; and the fair value and accounting treatment of financial instruments including marketable securities and derivative instruments. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Accordingly, actual results will differ from those amounts estimated in these financial statements.

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NEWMONT MINING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Principles of Consolidation

The Consolidated Financial Statements include the accounts of Newmont Mining Corporation, more-than-50%-owned subsidiaries that it controls and variable interest entities where it is the primary beneficiary. The Company also includes its pro rata share of assets, liabilities and operations for unincorporated joint ventures in which it has an undivided interest. All significant intercompany balances and transactions have been eliminated. The functional currency for the majority of the Company's operations is the U.S. dollar.

The Company follows the Accounting Standards Codification ("ASC") guidance for identification and reporting of entities over which control is achieved through means other than voting rights. The guidance defines such entities as Variable Interest Entities ("VIEs").

On November 22, 2013, Newmont entered into a Partnership Agreement with Staatsolie Maatschappij Suriname N.V. ("Staatsolie") (a company wholly owned by the Republic of Suriname). The Partnership Agreement gave Staatsolie the option to participate in the Merian gold mine ("Merian") for up to 25% of the partnership. Staatsolie exercised that option in November 2014. At December 31, 2018, Newmont has a 75.0% ownership in Merian. Newmont has identified Merian as a VIE under ASC guidance for consolidation. The Company has determined itself to be the primary beneficiary of this entity, as it is deemed to have a controlling interest over the operations of Merian and has the obligation to absorb losses and the right to receive benefits that are significant to Merian; therefore, the Company consolidates Merian in its financial statements.

Cash and Cash Equivalents

Cash and cash equivalents consist of all cash balances and highly liquid investments with an original maturity of three months or less. Because of the short maturity of these investments, the carrying amounts approximate their fair value. Cash and cash equivalents are held in overnight bank deposits or are invested in United States Treasury securities and money market securities. Restricted cash is excluded from cash and cash equivalents and is included in other current or non-current assets. Restricted cash is held primarily for the purpose of settling asset retirement obligations.

Stockpiles, Ore on Leach Pads and Inventories

As described below, costs that are incurred in or benefit the productive process are accumulated as stockpiles, ore on leach pads and inventories. Stockpiles, ore on leach pads and inventories are carried at the lower of average cost or net realizable value. Net realizable value represents the estimated future sales price of the product based on current and long-term metals prices, less the estimated costs to complete production and bring the product to sale. Write-downs of stockpiles, ore on leach pads and inventories to net realizable value are reported as a component of Costs applicable to sales and Depreciation and amortization. The current portion of stockpiles, ore on leach pads and inventories is determined based on the expected amounts to be processed within the next 12 months and utilize the short-term metal price assumption in estimating net realizable value. Stockpiles, ore on leach pads and inventories not expected to be processed within the next 12 months are classified as non-current and utilize the long-term metal price assumption in estimating net realizable value. The major classifications are as follows:

Explanation of Responses:

Stockpiles

Stockpiles represent ore that has been extracted from the mine and is available for further processing. Mine sequencing may result in mining material at a faster rate than can be processed. The Company generally processes the highest ore grade material first to maximize metal production; however, a blend of gold ore stockpiles may be processed to balance hardness and/or metallurgy in order to maximize throughput and recovery. Processing of lower grade stockpiled ore may continue after mining operations are completed. Sulfide copper ores are subject to oxidation over time which can reduce expected future recoveries. Stockpiles are measured by estimating the number of tons added and removed from the stockpile, the number of contained ounces or pounds (based on assay data) and the estimated metallurgical recovery rates (based on the expected processing method). Stockpile ore tonnages are verified by periodic surveys. Costs are added to stockpiles based on current mining costs incurred including applicable overhead and depreciation and amortization relating to mining operations and removed at each stockpile's average cost per recoverable unit as material is processed. Stockpiles are recorded at the lower of average cost or net realizable value, and carrying values are evaluated at

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NEWMONT MINING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

least quarterly. Net realizable value represents the estimated future sales price based on short-term and long-term metals price assumptions, less estimated costs to complete production and bring the product to sale.

Ore on Leach Pads

Ore on leach pads represent ore that has been mined and placed on leach pads where a solution is applied to the surface of the heap to dissolve the gold or extract the copper. The recovery of copper from leach pads is further described below in the Copper Cathode Inventory section.

Costs are added to ore on leach pads based on current mining costs, including applicable depreciation and amortization relating to mining operations. Costs are removed from ore on leach pads as ounces are recovered based on the average cost per estimated recoverable ounce of gold or pound of copper on the leach pad.

Estimates of recoverable ore on the leach pads are calculated from the quantities of ore placed on the leach pads (measured tons added to the leach pads), the grade of ore placed on the leach pads (based on assay data) and a recovery percentage (based on ore type). In general, leach pads recover between 50% and 95% of the recoverable ounces in the first year of leaching, declining each year thereafter until the leaching process is complete.

Although the quantities of recoverable metal placed on the leach pads are reconciled by comparing the grades of ore placed on pads to the quantities of metal actually recovered (metallurgical balancing), the nature of the leaching process inherently limits the ability to precisely monitor inventory levels. As a result, the metallurgical balancing process is constantly monitored and estimates are refined based on actual results over time. Historically, the Company's operating results have not been materially impacted by variations between the estimated and actual recoverable quantities of metal on its leach pads. Variations between actual and estimated quantities resulting from changes in assumptions and estimates that do not result in write-downs to net realizable value are accounted for on a prospective basis.

In-process Inventory

In-process inventories represent material that is currently in the process of being converted to a saleable product. Conversion processes vary depending on the nature of the ore and the specific processing facility, but include mill in-circuit, flotation, leach and carbon-in-leach. In-process material is measured based on assays of the material fed into the process and the projected recoveries of the respective processing plants. In-process inventories are valued at the average cost of the material fed into the process attributable to the source material coming from the mines, stockpiles and/or leach pads, plus the in-process conversion costs, including applicable amortization relating to the process facilities incurred to that point in the process.

Precious Metals Inventory

Precious metals inventories include gold doré and/or gold bullion. Precious metals that result from the Company's mining and processing activities are valued at the average cost of the respective in-process inventories incurred prior to the refining process, plus applicable refining costs.

Copper Cathode Inventory

Explanation of Responses:

Copper heap leaching is performed on copper oxide ore and enriched copper sulfide ore to produce copper cathodes. Heap leaching is accomplished by stacking uncrushed ore onto synthetically lined pads where it is contacted with a dilute sulfuric acid solution, thus leaching the acid soluble minerals into a copper sulfate solution. The copper sulfate solution is then collected and pumped to the solvent extraction (“SX”) plant. The SX process consists of two steps. During the first step, the copper is extracted into an organic solvent solution. The loaded organic solution is then pumped to the second step where copper is stripped with a strong acid solution before being sent through the electrowinning process. Cathodes produced in electrowinning are 99.99% copper.

Copper cathode is produced at the Company’s Phoenix operations by SX and electrowinning. The inventory is valued at the lower of average cost to produce the cathode or net realizable value.

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

Concentrate Inventory

Concentrate inventories represent copper and gold concentrate available for shipment or in transit for further processing when the sales process has not been completed. The Company values concentrate inventory at average cost, including an allocable portion of support costs and amortization. Costs are added and removed to the concentrate inventory based on metal in the concentrate and are valued at the lower of average cost or net realizable value.

Materials and Supplies

Materials and supplies are valued at the lower of average cost or net realizable value. Cost includes applicable taxes and freight.

Property, Plant and Mine Development

Facilities and Equipment

Expenditures for new facilities or equipment and expenditures that extend the useful lives of existing facilities or equipment are capitalized and recorded at cost. Facilities and equipment acquired as a part of a capital lease, build-to-suit or other financing arrangement are capitalized and recorded based on the contractual lease terms. The facilities and equipment are depreciated using the straight-line method at rates sufficient to depreciate such capitalized costs over the estimated productive lives of such facilities. These estimated productive lives do not exceed the related estimated mine lives, which are based on proven and probable reserves.

Mine Development

Mine development costs include engineering and metallurgical studies, drilling and other related costs to delineate an ore body, the removal of overburden to initially expose an ore body at open pit surface mines and the building of access ways, shafts, lateral access, drifts, ramps and other infrastructure at underground mines. Costs incurred before mineralization is classified as proven and probable reserves are expensed and classified as Exploration or Advanced projects, research and development expense. Capitalization of mine development project costs that meet the definition of an asset begins once mineralization is classified as proven and probable reserves.

Drilling and related costs are capitalized for an ore body where proven and probable reserves exist and the activities are directed at obtaining additional information on the ore body or converting mineralized material to proven and probable reserves. All other drilling and related costs are expensed as incurred. Drilling costs incurred during the production phase for operational ore control are allocated to inventory costs and then included as a component of Costs applicable to sales.

The cost of removing overburden and waste materials to access the ore body at an open pit mine prior to the production phase are referred to as "pre-stripping costs." Pre-stripping costs are capitalized during the development of an open pit mine. Where multiple open pits exist at a mining complex utilizing common processing facilities, pre-stripping costs are capitalized at each pit. The removal, production, and sale of de minimis saleable materials may occur during the development phase of an open pit mine and are assigned incremental mining costs related to the

removal of that material.

The production phase of an open pit mine commences when saleable minerals, beyond a de minimis amount, are produced. Stripping costs incurred during the production phase of a mine are variable production costs that are included as a component of inventory to be recognized in Costs applicable to sales in the same period as the revenue from the sale of inventory. The Company's definition of a mine and the mine's production phase may differ from that of other companies in the mining industry resulting in incomparable allocations of stripping costs to deferred mine development and production costs. Other mining companies may expense pre-stripping costs associated with subsequent pits within a mining complex. Other mining companies may capitalize stripping costs incurred in connection with the production phase.

Mine development costs are amortized using the units-of-production method based on estimated recoverable ounces or pounds in proven and probable reserves. To the extent that these costs benefit an entire ore body, they are amortized over the estimated life of the ore body. Costs incurred to access specific ore blocks or areas that only provide benefit over the life of that area are amortized over the estimated life of that specific ore block or area.

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

Mineral Interests

Mineral interests include acquired interests in production, development and exploration stage properties. Mineral interests are capitalized at their fair value at the acquisition date, either as an individual asset purchase or as part of a business combination.

The value of such assets is primarily driven by the nature and amount of mineralized material believed to be contained in such properties. Production stage mineral interests represent interests in operating properties that contain proven and probable reserves. Development stage mineral interests represent interests in properties under development that contain proven and probable reserves. Exploration stage mineral interests represent interests in properties that are believed to potentially contain mineralized material consisting of (i) mineralized material within pits; mineralized material with insufficient drill spacing to qualify as proven and probable reserves; and mineralized material in close proximity to proven and probable reserves; (ii) around-mine exploration potential not immediately adjacent to existing reserves and mineralization, but located within the immediate mine area; (iii) other mine-related exploration potential that is not part of current mineralized material and is comprised mainly of material outside of the immediate mine area; (iv) greenfield exploration potential that is not associated with any other production, development or exploration stage property, as described above; or (v) any acquired right to explore or extract a potential mineral deposit. The Company's mineral rights generally are enforceable regardless of whether proven and probable reserves have been established. In certain limited situations, the nature of a mineral right changes from an exploration right to a mining right upon the establishment of proven and probable reserves. The Company has the ability and intent to renew mineral interests where the existing term is not sufficient to recover all identified and valued proven and probable reserves and/or undeveloped mineralized material.

Impairment of Long-lived Assets

The Company reviews and evaluates its long-lived assets for impairment at least annually, or when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. An impairment loss is measured and recorded based on the estimated fair value of the long-lived assets being tested for impairment, and their carrying amounts. Fair value is typically determined through the use of an income approach utilizing estimates of discounted pre-tax future cash flows or a market approach utilizing recent transaction activity for comparable properties. These approaches are considered Level 3 fair value measurements. Occasionally, such as when an asset is held for sale, market prices are used. The Company believes its estimates and models used to determine fair value are similar to what a market participant would use.

The estimated undiscounted cash flows used to assess recoverability of long-lived assets and to measure the fair value of the Company's mining operations are derived from current business plans, which are developed using short-term price forecasts reflective of the current price environment and management's projections for long-term average metal prices. In addition to short- and long-term metal price assumptions, other assumptions include estimates of commodity-based and other input costs; proven and probable mineral reserves estimates, including the timing and cost to develop and produce the reserves; value beyond proven and probable estimates; estimated future closure costs; and the use of appropriate discount rates.

In estimating undiscounted cash flows, assets are grouped at the lowest level for which there are identifiable cash flows that are largely independent of undiscounted cash flows from other asset groups. The Company's estimates of undiscounted cash flows are based on numerous assumptions and it is possible that actual cash flows may differ

Explanation of Responses:

significantly from estimates, as actual produced reserves, metal prices, commodity-based and other costs, and closure costs are each subject to significant risks and uncertainties.

Investments

Management classifies investments at the acquisition date and re-evaluates the classification at each balance sheet date and when events or changes in circumstances indicate that there is a change in the Company's ability to exercise significant influence. The Company accounts for its investments in entities over which the Company has significant influence, but not control, using the equity method of accounting. The ability to exercise significant influence is presumed when the Company possesses 20% or more of the voting interests in the investee. Under the equity method of accounting, the Company increases its investment for contributions made and records its proportionate share of net earnings, declared dividends and partnership distributions based on the most recently available financial statements of the investee. In addition, the Company evaluates its equity method investments for potential impairment whenever events or changes in circumstances indicate that there is an other-than-temporary decline in the value of the investment. Equity method investments are included in Other non-current assets.

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NEWMONT MINING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Additionally, the Company has certain marketable equity and debt securities. Marketable equity securities are measured at fair value with any changes in fair value recorded in Other income, net. The Company accounts for its restricted marketable debt securities as available-for-sale securities. Unrealized gains and losses on available-for-sale investments, net of taxes, are reported as a component of Accumulated other comprehensive income (loss) in Total equity, unless such loss is deemed to be other-than-temporary. Declines in fair value that are deemed to be other-than-temporary are charged to Other income, net.

Debt

The Company carries its Senior Notes at amortized cost.

Debt issuance costs and debt premiums and discounts, which are included in Debt, and unrealized gains or losses related to cash flow hedges using treasury rate lock contracts and forward starting swap contracts, which are included in Accumulated other comprehensive income (loss), are amortized using the effective interest method over the terms of the respective Senior Notes as a component of Interest expense, net within the Consolidated Statements of Operations.

When repurchasing its debt, the Company records the resulting gain or loss as well as the accelerated portion of related debt issuance costs, premiums and discounts, and any unrealized gains or losses from the associated treasury rate lock contracts and/or associated forward starting swap contracts, included in Accumulated other comprehensive income (loss), in Other Income, net.

Contingently Redeemable Noncontrolling Interest

Certain noncontrolling interests in consolidated entities meet the definition of redeemable financial instruments if the ability to redeem the interest is outside of the control of the consolidating entity. In such cases, these financial instruments are required to be classified outside of permanent equity (referred to as temporary equity).

Treasury Stock

The Company records repurchases of common shares as Treasury stock at cost and records any subsequent retirements of treasury shares at cost. When treasury shares are retired, the Company's policy is to allocate the excess of the repurchase price over the par value of shares acquired to both Retained earnings and Additional paid-in capital. The portion allocated to Additional paid-in capital is calculated on a pro rata basis of the shares to be retired and the total shares issued and outstanding as of the date of the retirement.

Revenue Recognition

Newmont generates revenue by selling gold and copper produced from its mining operations. Refer to Note 3 for further information regarding the Company's operating segments.

The majority of the Company's Sales come from the sale of refined gold; however, the end product at the Company's gold operations is generally doré bars. Doré is an alloy consisting primarily of gold but also containing silver and other metals. Doré is sent to refiners to produce bullion that meets the required market standard of 99.95% gold. Under the terms of the Company's refining agreements, the doré bars are refined for a fee, and the Company's share of the refined gold and the separately-recovered silver is credited to its bullion account. Gold from doré bars credited to its bullion account is typically sold to banks or refiners.

A portion of gold sold from Phoenix in Nevada and Boddington and Kalgoorlie in Australia, is sold in the form of concentrate which includes copper and silver. The Company's Sales also come from the sale of copper. Copper sales are generally in the form of concentrate, which is sold to smelters for further treatment and refining, and cathode. Copper sold from Boddington in Australia is sold in concentrate form and copper sold from Phoenix in Nevada is sold in either concentrate or cathode form.

Generally, if a metal expected to be mined represents more than 10 to 20% of the life of mine sales value of all the metal expected to be mined, co-product accounting is applied. When the Company applies co-product accounting at an operation, revenue is recognized for each co-product metal sold, and shared costs applicable to sales are allocated based on the relative sales values of the co-product metals produced. Generally, if metal expected to be mined is less than the 10 to 20% of the life of mine sales value, by-

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product accounting is applied. Revenues from by-product sales, which are immaterial, are credited to Costs applicable to sales as a by-product credit. Copper is produced as a co-product at Phoenix and Boddington. Copper and silver is produced as a by-product at certain of the Company's other operations.

Gold Sales from Doré Production

The Company recognizes revenue for gold from doré production when it satisfies the performance obligation of transferring gold inventory to the customer, which generally occurs upon transfer of gold bullion credits as this is the point at which the customer obtains the ability to direct the use and obtain substantially all of the remaining benefits of ownership of the asset.

The Company generally recognizes the sale of gold bullion credits at the prevailing market price when gold bullion credits are delivered to the customer. The transaction price is determined based on the agreed upon market price and the number of ounces delivered. Payment is due upon delivery of gold bullion credits to the customer's account.

Gold and Copper Sales from Concentrate Production

The Company recognizes revenue for gold and copper from concentrate production, net of treatment and refining charges, when it satisfies the performance obligation of transferring control of the concentrate to the customer. This generally occurs as material passes over the vessel's rail at the port of loading based on the date from the bill of lading, as the customer has the ability to direct the use of and obtain substantially all of the remaining benefits from the material and the customer has the risk of loss. Newmont has elected to account for shipping and handling costs for concentrate contracts as fulfillment activities and not as promised goods or services; therefore these activities are not considered separate performance obligations.

The Company generally sells gold and copper concentrate based on the future monthly average market price for a future month, dependent on the relevant contract, following the month in which the delivery to the customer takes place. The amount of revenue recognized for concentrates is initially recorded on a provisional basis based on the forward prices for the estimated month of settlement and the Company's estimated metal quantities based on assay data. The Company's sales based on a provisional price 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 concentrates at the forward price at the time of sale. The embedded derivative, which does not qualify for hedge accounting, is marked to market through Sales each period prior to final settlement. The Company also adjusts estimated metal quantities used in computing provisional sales using new information and assay data from the smelter as it is received (if any).

A provisional payment is generally due upon delivery of the concentrate to the customer. Final payment is due upon final settlement of price and quantity with the customer.

The principal risks associated with recognition of sales on a provisional basis include metal price fluctuations and updated quantities between the date the sale is recorded and the date of final settlement. If a significant decline in metal prices occurs, or assay data results in a significant change in quantity between the provisional pricing date and the final settlement date, it is reasonably possible that the Company could be required to return a portion of the provisional payment received on the sale.

Copper Sales from Cathode Production

The Company recognizes revenue for copper from cathode production when it transfers control of copper cathode to the customer, which occurs when the material is picked up by the carrier. The Company generally sells copper cathode based on the weekly average market price for the week following production. The transaction price is determined based on this agreed upon price and the number of pounds delivered. Payment is due upon final settlement of price and quantity with the customer.

Income and Mining Taxes

The Company accounts for income taxes using the liability method, recognizing certain temporary differences between the financial reporting basis of the Company's liabilities and assets and the related income tax basis for such liabilities and assets. This method generates either a net deferred income tax liability or asset for the Company, as measured by the statutory tax rates in effect. The Company derives its deferred income tax charge or benefit by recording the change in either the net deferred income tax liability

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or asset balance for the year. The financial statement effects of changes in tax law are recorded as discrete items in the period enacted as part of income tax expense or benefit from continuing operations, regardless of the category of income or loss to which the deferred taxes relate. The Company determines if the assessment of a particular income tax effect is "complete." Those effects for which the accounting is determined to be complete are reported in the enactment period financial statements.

For those effects determined to be incomplete, the Company determines whether a reasonable estimate of those effects can be made. If a reasonable estimate can be made, the estimate is recognized as a provisional amount. If a reasonable estimate cannot be made, no effects are recognized as provisional amounts until the first reporting period in which a reasonable estimate can be made. Provisional amounts are updated when additional information becomes available and the evaluation of such information is complete. The Company completes the accounting for all provisional amounts within a measurement period of up to one year from the enactment date.

Mining taxes represent state and provincial taxes levied on mining operations and are classified as income taxes. As such, taxes are based on a percentage of mining profits. With respect to the earnings that the Company derives from the operations of its consolidated subsidiaries, in those situations where the earnings are indefinitely reinvested, no deferred taxes have been provided on the unremitted earnings (including the excess of the carrying value of the net equity of such entities for financial reporting purposes over the tax basis of such equity) of these consolidated companies.

Newmont's operations are in multiple jurisdictions where uncertainties arise in the application of complex tax regulations. Some of these tax regimes are defined by contractual agreements with the local government, while others are defined by general tax laws and regulations. Newmont and its subsidiaries are subject to reviews of its income tax filings and other tax payments, and disputes can arise with the taxing authorities over the interpretation of its contracts or laws. The Company recognizes potential liabilities and records tax liabilities for anticipated tax audit issues in the U.S. and other tax jurisdictions based on its estimate of whether, and the extent to which, additional taxes will be due. The Company adjusts these reserves in light of changing facts and circumstances; however, due to the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from the Company's current estimate of the tax liabilities. If the Company's estimate of tax liabilities proves to be less than the ultimate assessment, an additional charge to expense would result. If the estimate of tax liabilities proves to be greater than the ultimate assessment, a tax benefit would result. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits in Income and mining tax benefit (expense). In certain jurisdictions, Newmont must pay a portion of the disputed amount to the local government in order to formally appeal the assessment. Such payment is recorded as a receivable if Newmont believes the amount is collectible.

Valuation of Deferred Tax Assets

The Company's deferred income tax assets include certain future tax benefits. The Company records a valuation allowance against any portion of those deferred income tax assets when it believes, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred income tax asset will not be realized. The Company reviews the likelihood that it will realize the benefit of its deferred tax assets and therefore the need for

valuation allowances on a quarterly basis, or more frequently if events indicate that a review is required. In determining the requirement for a valuation allowance, the historical and projected financial results of the legal entity or consolidated group recording the net deferred tax asset is considered, along with all other available positive and negative evidence.

Certain categories of evidence carry more weight in the analysis than others based upon the extent to which the evidence may be objectively verified. The Company looks to the nature and severity of cumulative pretax losses (if any) in the current three-year period ending on the evaluation date, recent pretax losses and/or expectations of future pretax losses. Other factors considered in the determination of the probability of the realization of the deferred tax assets include, but are not limited to:

- Earnings history;
- Projected future financial and taxable income based upon existing reserves and long-term estimates of commodity prices;
- The duration of statutory carry forward periods;

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- Prudent and feasible tax planning strategies readily available that may alter the timing of reversal of the temporary difference;
- Nature of temporary differences and predictability of reversal patterns of existing temporary differences; and
- The sensitivity of future forecasted results to commodity prices and other factors.

Concluding that a valuation allowance is not required is difficult when there is significant negative evidence which is objective and verifiable, such as cumulative losses in recent years. The Company utilizes a rolling twelve quarters of pre-tax income or loss as a measure of its cumulative results in recent years. However, a cumulative three year loss is not solely determinative of the need for a valuation allowance. The Company also considers all other available positive and negative evidence in its analysis.

Reclamation and Remediation Costs

Reclamation obligations are recognized when incurred and recorded as liabilities at fair value. The liability is accreted over time through periodic charges to earnings. In addition, the asset retirement cost is capitalized as part of the asset's carrying value and amortized over the life of the related asset. Reclamation costs are periodically adjusted to reflect changes in the estimated present value resulting from the passage of time and revisions to the estimates of either the timing or amount of the reclamation costs. Changes in reclamation estimates at non-operating mines are reflected in earnings in the period an estimate is revised. The estimated reclamation obligation is based on when spending for an existing disturbance is expected to occur. The Company reviews, on an annual basis, unless otherwise deemed necessary, the reclamation obligation at each mine site in accordance with ASC guidance for asset retirement obligations.

Remediation costs are accrued based on management's best estimate at the end of each period of the costs expected to be incurred at a site. Such cost estimates may include ongoing care, maintenance and monitoring costs. Changes in remediation estimates at legacy sites are reflected in earnings in the period an estimate is revised. Water treatment costs included in environmental remediation obligations are discounted to their present value as cash flows are readily estimable. All other costs of future expenditures for environmental remediation obligations are not discounted to their present value.

Foreign Currency

The functional currency for the majority of the Company's operations is the U.S. dollar. Transaction gains and losses related to monetary assets and liabilities where the functional currency is the U.S. dollar are remeasured at current exchange rates and the resulting adjustments are included in Other income, net. The financial statements of our foreign entities with functional currencies other than the U.S. dollar are translated into U.S. dollars with the resulting adjustments charged or credited directly to Accumulated other comprehensive income (loss) in total equity. All assets and liabilities translated into the U.S. dollar using exchange rates in effect at the balance sheet date, while revenues and expenses are translated at the weighted average exchange rates for the period. The gains or losses on foreign currency rates on cash holdings in foreign currencies are included in Effect of exchange rate changes on cash in the Company's Consolidated Statements of Cash Flows.

Derivative Instruments

Newmont has fixed forward contracts and zero-cost collar contracts designated as cash flow hedges in place to hedge against changes in diesel prices. The fair value of derivative contracts qualifying as cash flow hedges are reflected as

assets or liabilities in the Consolidated Balance Sheets. The changes in fair value of these hedges are deferred in Accumulated other comprehensive income (loss). Amounts deferred in Accumulated other comprehensive income (loss) are reclassified to income when the hedged transaction has occurred in the same income statement line where the earnings effect of the hedged item is presented. Cash transactions related to the Company's derivative contracts accounted for as hedges are classified in the same category as the item being hedged in the Consolidated Statements of Cash Flows.

When derivative contracts qualifying as cash flow hedges are settled, accelerated or restructured before the maturity date of the contracts, the related amount in Accumulated other comprehensive income (loss) at the settlement date is deferred and reclassified to

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earnings, when the originally designated hedged transaction impacts earnings, unless the underlying hedge transaction becomes probable of not occurring.

Newmont assesses the effectiveness of the derivative contracts using a regression analysis, both retrospectively and prospectively, to determine whether the hedging instruments have been highly effective in offsetting changes in the fair value of the hedged items. The Company also assesses whether the hedging instruments are expected to be highly effective in the future. If a hedging instrument is not expected to be highly effective, the Company will stop hedge accounting prospectively. In those instances, the gains or losses remain in Accumulated other comprehensive income (loss) until the hedged item affects earnings. For option contracts, the Company excludes the time value from the measurement of effectiveness.

Stock-Based Compensation

The Company records stock-based compensation awards exchanged for employee services at fair value on the date of the grant and expenses the awards in the Consolidated Statements of Operations over the requisite employee service period. The fair value of stock options is determined using the Black-Scholes valuation model. The fair value of restricted stock units ("RSUs") are based on the Newmont stock price on the date of grant. The fair value of performance leverage stock units ("PSUs") is determined using a Monte Carlo simulation model. Stock-based compensation expense related to all awards, including awards with a market or performance condition that cliff vest, is generally recognized ratably over the requisite service period of the award on a straight-line basis. The Company recognizes forfeitures as they occur. The Company's estimates may be impacted by certain variables including, but not limited to, stock price volatility, employee stock option exercise behaviors, additional stock option grants, employee retirement eligibility dates, the Company's performance and related tax impacts.

Net Income (Loss) per Common Share

Basic and diluted income per share are presented for Net income (loss) attributable to Newmont stockholders. 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 except that weighted average common shares is increased to reflect all dilutive instruments, including employee stock awards and convertible debt instruments. The dilutive effects of Newmont's dilutive securities are excluded from the calculation of diluted weighted average common shares outstanding if their effect would be anti-dilutive based on the treasury stock method or due to a net loss from continuing operations.

Discontinued Operations

The Company reports the results of operations of a business as discontinued operations if a disposal represents a strategic shift that has (or will have) a major effect on the Company's operations and financial results when the business is classified as held for sale, in accordance with ASC 360, Property, Plant and Equipment and ASC 205-20, Presentation of Financial Statements - Discontinued Operations. The results of discontinued operations are reported in Net income (loss) from discontinued operations, net of tax in the accompanying Consolidated Statements of Operations for current and prior periods, including any gain or loss recognized on closing or adjustment of the carrying amount to fair value less cost to sell.

Explanation of Responses:

On November 2, 2016, Newmont completed the sale of its 48.5% economic interest in PT Newmont Nusa Tenggara (“PTNNT”), which operates the Batu Hijau copper and gold mine (“Batu Hijau”) in Indonesia (the “Batu Hijau Transaction”). As a result, Newmont presents Batu Hijau as a discontinued operation for all periods presented. Accordingly, (i) our Consolidated Statements of Operations and Cash Flows have been reclassified to present Batu Hijau as a discontinued operation for all periods presented and (ii) the amounts presented in these notes relate only to our continuing operations, unless otherwise noted. For additional information regarding our discontinued operations, see Note 11.

Comprehensive Income (Loss)

In addition to Net income (loss), Comprehensive income (loss) includes all changes in equity during a period, such as adjustments to minimum pension liabilities, foreign currency translation adjustments, changes in fair value of derivative instruments that qualify as cash flow hedges and cumulative unrecognized changes in fair value of marketable debt securities classified as available-for-sale, except those resulting from investments by and distributions to owners.

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Reclassifications

Certain amounts in prior years have been reclassified to conform to the 2018 presentation. Reclassified amounts were not material to the financial statements.

Recently Adopted Accounting Pronouncements

Revenue recognition

In May 2014, Accounting Standards Update (“ASU”) No. 2014-09 was issued which, together with subsequent amendments, is included in ASC 606, Revenue from contracts with customers. The new standard provides a five-step approach to be applied to all contracts with customers and also requires expanded disclosures about revenue recognition.

The company retrospectively adopted this standard as of January 1, 2018. As there were no contracts outstanding as of December 31, 2017, there was no cumulative effect adjustment required to be recognized at January 1, 2018. The comparative information has not been adjusted and continues to be reported under the accounting standards in effect for those periods.

The adoption of this standard primarily impacts the timing of revenue recognition on certain concentrate contracts based on the Company’s determination of when control is transferred. Revenue related to concentrate shipments is now generally recognized upon completion of loading the material for shipment to the customer and satisfaction of the Company’s significant performance obligation. Prior to the adoption of this standard, revenue was recognized for these contracts when the price was determinable, the concentrate had been loaded on a vessel or received by the customer, risk and title had been transferred and collection of the sales price was reasonably assured.

Investments

In January 2016, ASU No. 2016-01 was issued related to financial instruments. This ASU was further amended in February 2018 by ASU No. 2018-03. The new guidance requires entities to measure equity investments that do not result in consolidation and are not accounted for under the equity method at fair value and recognize any changes in fair value in net income. This new guidance also updates certain disclosure requirements for these investments. This update is effective in fiscal years, including interim periods, beginning after December 15, 2017, and upon adoption, an entity should apply the amendments with the cumulative effect of initially applying the guidance recognized at January 1, 2018. The Company adopted this standard as of January 1, 2018. Upon adoption, the Company reclassified \$115 of unrealized holding gains and losses and deferred income taxes related to investments in marketable equity securities from Accumulated other comprehensive income (loss) to Retained earnings in the Consolidated Balance Sheets.

Intra-Entity Transfers

Explanation of Responses:

In October 2016, ASU No. 2016-16 was issued related to the intra-entity transfers of assets other than inventory. This new guidance requires entities to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. This update is effective in fiscal years, including interim periods, beginning after December 15, 2017. The Company adopted this guidance as of January 1, 2018, and determined it had no impact on the Consolidated Financial Statements or disclosures.

Employee Benefits

In March 2017, ASU No. 2017-07 was issued related to the presentation of net periodic pension and postretirement cost. The new guidance requires the service cost component of net benefit costs to be classified similar to other compensation costs arising from services rendered by employees. Other components of net benefit costs are required to be classified separately from the service cost and outside income from operations. The Company adopted this guidance as of January 1, 2018. The adoption of this guidance resulted in the recognition of other components of net benefit costs within Other income, net rather than Costs applicable to sales or General and administrative and is no longer included in costs that benefit the inventory or production process. Adoption of this guidance did not have a material impact on the Consolidated Financial Statements or disclosures.

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Hedging

In August 2017, ASU No. 2017-12 was issued related to hedge accounting. The new guidance expands the ability to hedge nonfinancial risk components, eliminates the current requirement to separately measure and report hedge ineffectiveness, and requires the entire change in fair value of a hedging instrument to be presented in the same income statement line as the hedged item, when reclassified from Accumulated other comprehensive income (loss). The guidance also eases certain hedge effectiveness documentation and assessment requirements. This update is effective in fiscal years, including interim periods, beginning after December 15, 2018, and early adoption is permitted. The Company adopted this guidance as of January 1, 2018, and there was no material impact on the Consolidated Financial Statements or disclosures as a result of adoption.

Other Comprehensive Income Reclassifications Related to Tax Reform

In February 2018, ASU No. 2018-02 was issued allowing companies the option to reclassify to retained earnings the tax effects related to items in Accumulated other comprehensive income (loss) as a result of the Tax Cuts and Jobs Act (the “Act”) that was enacted on December 22, 2017. This guidance should be applied either in the period of adoption or retrospectively to each period in which the effects of the change in the U.S. federal income tax rate in the Act is recognized. The Company adopted this guidance as of December 31, 2018. Upon adoption, the Company reclassified \$96 from Accumulated other comprehensive income (loss) to Retained earnings.

Recently Issued Accounting Pronouncements

Leases

In February 2016, ASU No. 2016-02 was issued which, together with subsequent amendments, is included in ASC 842, Leases. The standard requires all leases with an initial term greater than one year to be recorded on the balance sheet as a right-of-use (“ROU”) asset and a lease liability. Certain qualitative and quantitative disclosures are also required. This update is effective in fiscal years, including interim periods, beginning after December 15, 2018.

The Company will adopt ASU 2016-02 using the modified retrospective approach with a cumulative-effect adjustment recorded at the beginning of the period of adoption on January 1, 2019. Therefore, upon adoption, the Company will recognize and measure leases without revising comparative period information or disclosure. For certain leases with similar characteristics, the Company will apply a portfolio approach when measuring ROU assets and lease liabilities.

The new standard provides a number of optional practical expedients and the Company will elect the following:

Transition elections: The Company will elect the land easements practical expedient whereby existing land easements are not reassessed under the new standard.

Ongoing accounting policy elections: The Company will elect the short-term lease recognition exemption whereby ROU assets and lease liabilities will not be recognized for leasing arrangements with terms less than one year. The Company will elect the practical expedient not to separate lease and non-lease components for the majority of

Explanation of Responses:

underlying asset classes.

The Company has substantially completed its assessment of the new standard including the impact on the Company's Consolidated Financial Statements, processes and internal controls. Based on contracts outstanding at December 31, 2018, the adoption of the new standard will result in the recognition of additional right-of-use assets and lease liabilities related to operating leases of between \$35 to \$55 and \$35 to \$55, respectively, and finance leases of between \$70 to \$100 and \$75 to \$105, respectively. The Company does not expect a material impact to the Consolidated Statements of Operations or the Consolidated Statements of Cash Flows. The Company will provide additional qualitative and quantitative disclosures related to leasing arrangements beginning in the period of adoption.

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Fair Value Disclosure Requirements

In August 2018, ASU No. 2018-13 was issued to modify and enhance the disclosure requirements for fair value measurements. This update is effective in fiscal years, including interim periods, beginning after December 15, 2019, and early adoption is permitted. The Company is still completing its assessment of the impacts and anticipated adoption date of this guidance.

Defined Benefit Plan Disclosure Requirements

In August 2018, ASU No. 2018-14 was issued to modify and enhance the required disclosures for defined benefit plans. This update is effective in fiscal years, including interim periods, ending after December 15, 2020, and early adoption is permitted. The Company is still completing its assessment of the impacts and anticipated adoption date of this guidance.

Capitalization of Certain Cloud Computing Implementation Costs

In August 2018, ASU No. 2018-15 was issued which allows for the capitalization for certain implementation costs incurred in a cloud computing arrangement that is considered a service contract. This update is effective in fiscal years, including interim periods, beginning after December 15, 2019, and early adoption is permitted. The Company is still completing its assessment of the impacts and anticipated adoption date of this guidance.

NOTE 3 SEGMENT INFORMATION

The Company has organized its operations into four geographic regions. The geographic regions include North America, South America, Australia and Africa and represent the Company's operating segments. The results of these operating segments are reviewed by the Company's chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance. As a result, these operating segments represent the Company's reportable segments. Notwithstanding this structure, the Company internally reports information on a mine-by-mine basis for each mining operation and has chosen to disclose this information in the following tables. Income (loss) before income and mining tax and other items from reportable segments does not reflect general corporate expenses, interest (except project-specific interest) or income and mining taxes. Intercompany revenue and

expense amounts have been eliminated within each segment in order to report on the basis that management uses internally for evaluating segment performance. Newmont's business activities that are not considered operating segments are included in Corporate and Other. Although they are not required to be included in this footnote, they are provided for reconciliation purposes.

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Unless otherwise noted, we present only the reportable segments of our continuing operations in the tables below. The financial information relating to the Company's segments is as follows:

| | | Costs | Depreciation | Advanced Projects, Research and Development and Exploration | Income (Loss) before Income and Mining Tax and Other Items | Total | Capital |
|----------------------------------|----------|----------|--------------|---|---|----------|-----------------|
| | Sales | to Sales | Amortization | | | Assets | Expenditures(1) |
| Years Ended December 31, 2018 | | | | | | | |
| Carlin | \$ 1,173 | \$ 782 | \$ 220 | \$ 34 | \$ 79 | \$ 2,242 | \$ 153 |
| Phoenix: | | | | | | | |
| Gold | 291 | 202 | 47 | | | | |
| Copper | 85 | 55 | 15 | | | | |
| Total Phoenix | 376 | 257 | 62 | 5 | 32 | 899 | 32 |
| Twin Creeks | 457 | 240 | 61 | 12 | (146) | 877 | 82 |
| Long Canyon | 215 | 72 | 76 | 23 | 44 | 1,008 | 11 |
| CC&V | 450 | 260 | 83 | 10 | 89 | 853 | 29 |
| Other North America | — | — | 2 | 23 | (54) | 857 | 15 |
| North America | 2,671 | 1,611 | 504 | 107 | 44 | 6,736 | 322 |
| Yanacocha | 659 | 425 | 108 | 54 | (6) | 1,518 | 119 |
| Merian | 677 | 275 | 90 | 13 | 300 | 1,036 | 78 |
| Other South America | — | — | 14 | 34 | (61) | 1,640 | 1 |
| South America | 1,336 | 700 | 212 | 101 | 233 | 4,194 | 198 |
| Boddington: | | | | | | | |
| Gold | 900 | 571 | 102 | | | | |
| Copper | 218 | 132 | 24 | | | | |
| Total Boddington | 1,118 | 703 | 126 | — | 293 | 2,113 | 57 |
| Tanami | 638 | 297 | 75 | 17 | 251 | 902 | 97 |
| Kalgoorlie | 410 | 232 | 24 | 10 | 170 | 402 | 22 |
| Other Australia | — | — | 6 | 12 | (8) | 72 | 6 |
| Australia | 2,166 | 1,232 | 231 | 39 | 706 | 3,489 | 182 |
| Ahafo | 553 | 323 | 105 | 17 | 99 | 1,869 | 264 |
| Akyem | 527 | 227 | 151 | 13 | 125 | 966 | 40 |
| Other Africa | — | — | — | 5 | (13) | 2 | — |
| Africa | 1,080 | 550 | 256 | 35 | 211 | 2,837 | 304 |

Explanation of Responses:

| | | | | | | | |
|---------------------|----------|----------|----------|--------|--------|-----------|----------|
| Corporate and Other | — | — | 12 | 68 | (456) | 3,459 | 13 |
| Consolidated | \$ 7,253 | \$ 4,093 | \$ 1,215 | \$ 350 | \$ 738 | \$ 20,715 | \$ 1,019 |

(1) Includes a decrease in accrued capital expenditures of \$13; consolidated capital expenditures on a cash basis were \$1,032.

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| Years Ended | Sales | Costs Applicable to Sales | Depreciation and Amortization | Advanced Projects, Research and Development and Exploration | Income (Loss) before Income and Mining Tax and Other Items | Total Assets | Capital Expenditures(1) |
|---------------------|----------|---------------------------------|-------------------------------------|---|---|-----------------|----------------------------|
| December 31, 2017 | | | | | | | |
| Carlin | \$ 1,228 | \$ 810 | \$ 224 | \$ 18 | \$ 131 | \$ 2,299 | \$ 174 |
| Phoenix: | | | | | | | |
| Gold | 259 | 182 | 47 | | | | |
| Copper | 88 | 55 | 15 | | | | |
| Total Phoenix | 347 | 237 | 62 | 5 | 30 | 889 | 25 |
| Twin Creeks | 473 | 229 | 64 | 9 | 168 | 1,144 | 52 |
| Long Canyon | 219 | 59 | 74 | 23 | 63 | 1,083 | 10 |
| CC&V | 585 | 290 | 127 | 10 | 156 | 901 | 33 |
| Other North America | — | — | 1 | 26 | (29) | 676 | 9 |
| North America | 2,852 | 1,625 | 552 | 91 | 519 | 6,992 | 303 |
| Yanacocha | 671 | 504 | 134 | 41 | (77) | 1,420 | 51 |
| Merian | 643 | 238 | 91 | 14 | 297 | 967 | 105 |
| Other South America | — | — | 14 | 43 | (72) | 1,661 | — |
| South America | 1,314 | 742 | 239 | 98 | 148 | 4,048 | 156 |
| Boddington: | | | | | | | |
| Gold | 981 | 562 | 116 | | | | |
| Copper | 227 | 108 | 22 | | | | |
| Total Boddington | 1,208 | 670 | 138 | 2 | 369 | 2,110 | 80 |
| Tanami | 514 | 251 | 67 | 21 | 181 | 690 | 108 |
| Kalgoorlie | 458 | 234 | 20 | 9 | 190 | 407 | 21 |
| Other Australia | — | — | 6 | 8 | (37) | 54 | 5 |
| Australia | 2,180 | 1,155 | 231 | 40 | 703 | 3,261 | 214 |
| Ahafo | 439 | 268 | 72 | 24 | 70 | 1,690 | 181 |
| Akyem | 594 | 272 | 155 | 10 | 152 | 1,057 | 26 |
| Other Africa | — | — | 1 | 6 | (13) | 1 | — |
| Africa | 1,033 | 540 | 228 | 40 | 209 | 2,748 | 207 |
| Corporate and Other | — | — | 11 | 53 | (507) | 3,597 | 10 |

Explanation of Responses:

| | | | | | | | |
|--------------|----------|----------|----------|--------|----------|-----------|--------|
| Consolidated | \$ 7,379 | \$ 4,062 | \$ 1,261 | \$ 322 | \$ 1,072 | \$ 20,646 | \$ 890 |
|--------------|----------|----------|----------|--------|----------|-----------|--------|

⁽¹⁾ Includes an increase in accrued capital expenditures of \$24; consolidated capital expenditures on a cash basis were \$866.

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| Year Ended | Sales | Costs Applicable to Sales | Depreciation and Amortization | Advanced Projects, Research and Development and Exploration | Income (Loss) before Income and Mining Tax and Other Items | Total Assets | Capital Expenditures(1) |
|---------------------|----------|---------------------------------|-------------------------------------|---|--|-----------------|----------------------------|
| December 31, 2016 | | | | | | | |
| Carlin | \$ 1,171 | \$ 782 | \$ 199 | \$ 19 | \$ 160 | \$ 2,282 | \$ 173 |
| Phoenix: | | | | | | | |
| Gold | 246 | 163 | 51 | | | | |
| Copper | 86 | 89 | 27 | | | | |
| Total Phoenix | 332 | 252 | 78 | 1 | (11) | 923 | 22 |
| Twin Creeks | 555 | 231 | 50 | 8 | 261 | 1,132 | 37 |
| Long Canyon | 27 | 4 | 5 | 20 | (3) | 1,123 | 119 |
| CC&V | 481 | 211 | 105 | 11 | 147 | 1,041 | 59 |
| Other North America | — | — | 1 | 12 | (11) | 696 | 9 |
| North America | 2,566 | 1,480 | 438 | 71 | 543 | 7,197 | 419 |
| Yanacocha | 792 | 525 | 272 | 35 | (1,171) | 1,549 | 83 |
| Merian | 117 | 34 | 12 | 24 | 46 | 984 | 221 |
| Other South America | — | — | 14 | 36 | (55) | 1,677 | — |
| South America | 909 | 559 | 298 | 95 | (1,180) | 4,210 | 304 |
| Boddington: | | | | | | | |
| Gold | 973 | 530 | 110 | | | | |
| Copper | 164 | 126 | 24 | | | | |
| Total Boddington | 1,137 | 656 | 134 | 1 | 328 | 2,078 | 65 |
| Tanami | 575 | 238 | 82 | 13 | 241 | 623 | 145 |
| Kalgoorlie | 467 | 257 | 19 | 5 | 185 | 381 | 20 |
| Other Australia | — | — | 9 | 8 | (25) | 63 | 4 |
| Australia | 2,179 | 1,151 | 244 | 27 | 729 | 3,145 | 234 |
| Ahafo | 436 | 313 | 94 | 28 | (7) | 1,739 | 87 |
| Akyem | 590 | 235 | 128 | 8 | 214 | 1,240 | 22 |
| Other Africa | — | — | 1 | 2 | (8) | 2 | — |
| Africa | 1,026 | 548 | 223 | 38 | 199 | 2,981 | 109 |
| Corporate and Other | — | — | 10 | 51 | (511) | 3,538 | 11 |
| Consolidated | \$ 6,680 | \$ 3,738 | \$ 1,213 | \$ 282 | \$ (220) | \$ 21,071 | \$ 1,077 |

Explanation of Responses:

- (1) Includes a decrease in accrued capital expenditures of \$56; consolidated capital expenditures on a cash basis were \$1,133.

Revenues from sales attributed to countries based on the customer's location were as follows:

| | Years Ended December 31, | | |
|----------------|--------------------------|----------|----------|
| | 2018 | 2017 | 2016 |
| United Kingdom | \$ 5,448 | \$ 5,521 | \$ 5,382 |
| Switzerland | 677 | 657 | 148 |
| Philippines | 254 | 310 | 283 |
| Korea | 237 | 384 | 298 |
| Germany | 237 | 168 | 191 |
| China | 144 | 30 | 62 |
| Japan | 105 | 87 | 59 |
| United States | 52 | 91 | 70 |
| Canada | 40 | 96 | 124 |
| Other | 59 | 35 | 63 |
| | \$ 7,253 | \$ 7,379 | \$ 6,680 |

As gold can be sold through numerous gold market traders worldwide, the Company is not economically dependent on a limited number of customers for the sale of its product. In 2018, sales to JPMorgan Chase were \$2,295 (32%), Toronto Dominion Bank were \$1,324 (18%) and Standard Chartered were \$1,164 (16%) of total gold sales. In 2017, sales to Toronto Dominion Bank were \$2,738

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(37%) and JPMorgan Chase were \$1,400 (19%) of total gold sales. In 2016, sales to Toronto Dominion Bank were \$1,818 (27%), JPMorgan Chase were \$1,451 (22%), Bank of Nova Scotia were \$1,067 (16%) and HSBC were \$952 (14%) of total gold sales.

The Company sells copper predominantly in the form of copper concentrates which are sold directly to smelters located in Asia and to a lesser extent North America and Europe. The copper concentrates are sold under long-term supply contracts with processing fees based on the demand for these concentrates in the global market place. In Nevada, the Company also produces copper cathode which is sold to one customer in the North American market.

Long-lived assets, excluding deferred tax assets, investments and restricted assets, were as follows:

| | At December 31, | |
|---------------|-----------------|-----------|
| | 2018 | 2017 |
| United States | \$ 6,162 | \$ 6,508 |
| Australia | 2,987 | 2,841 |
| Ghana | 2,515 | 2,414 |
| Peru | 2,117 | 2,040 |
| Suriname | 825 | 835 |
| Other | 12 | 11 |
| | \$ 14,618 | \$ 14,649 |

NOTE 4 SALES

The following table presents the Company's Sales by mining operation, product and inventory type:

| Years Ended December 31, 2018 | Gold Sales | | Copper Sales | | Total Sales |
|-------------------------------|------------|-------------|--------------|-------------------|-------------|
| | Gold Sales | from | from | Copper Sales from | |
| | from Doré | Concentrate | Concentrate | Cathode | |
| | Production | Production | Production | Production | |
| Carlin | \$ 1,173 | \$ — | \$ — | \$ — | \$ 1,173 |
| Phoenix | 127 | 164 | 33 | 52 | 376 |
| Twin Creeks | 457 | — | — | — | 457 |
| Long Canyon | 215 | — | — | — | 215 |

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| | | | | | |
|---------------|----------|--------|--------|-------|----------|
| CC&V | 450 | — | — | — | 450 |
| North America | 2,422 | 164 | 33 | 52 | 2,671 |
| Yanacocha | 659 | — | — | — | 659 |
| Merian | 677 | — | — | — | 677 |
| South America | 1,336 | — | — | — | 1,336 |
| Boddington | 243 | 657 | 218 | — | 1,118 |
| Tanami | 638 | — | — | — | 638 |
| Kalgoorlie | 410 | — | — | — | 410 |
| Australia | 1,291 | 657 | 218 | — | 2,166 |
| Ahafo | 553 | — | — | — | 553 |
| Akyem | 527 | — | — | — | 527 |
| Africa | 1,080 | — | — | — | 1,080 |
| Consolidated | \$ 6,129 | \$ 821 | \$ 251 | \$ 52 | \$ 7,253 |

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

| | Gold Sales | Gold Sales | Copper Sales | Copper Sales | Total |
|-------------------------------|------------|------------------|------------------|--------------|----------|
| | from Doré | from Concentrate | from Concentrate | from Cathode | Sales |
| Years Ended December 31, 2017 | Production | Production | Production | Production | |
| Carlin | \$ 1,228 | \$ — | \$ — | \$ — | \$ 1,228 |
| Phoenix | 131 | 128 | 41 | 47 | 347 |
| Twin Creeks | 473 | — | — | — | 473 |
| Long Canyon | 219 | — | — | — | 219 |
| CC&V | 576 | 9 | — | — | 585 |
| North America | 2,627 | 137 | 41 | 47 | 2,852 |
| Yanacocha | 671 | — | — | — | 671 |
| Merian | 643 | — | — | — | 643 |
| South America | 1,314 | — | — | — | 1,314 |
| Boddington | 237 | 744 | 227 | — | 1,208 |
| Tanami | 514 | — | — | — | 514 |
| Kalgoorlie | 449 | 9 | — | — | 458 |
| Australia | 1,200 | 753 | 227 | — | 2,180 |
| Ahafo | 439 | — | — | — | 439 |
| Akyem | 594 | — | — | — | 594 |
| Africa | 1,033 | — | — | — | 1,033 |
| Consolidated | \$ 6,174 | \$ 890 | \$ 268 | \$ 47 | \$ 7,379 |

| | Gold Sales | Gold Sales | Copper Sales | Copper Sales | Total |
|------------------------------|------------|------------------|------------------|--------------|----------|
| | from Doré | from Concentrate | from Concentrate | from Cathode | Sales |
| Year Ended December 31, 2016 | Production | Production | Production | Production | |
| Carlin | \$ 1,171 | \$ — | \$ — | \$ — | \$ 1,171 |

Explanation of Responses:

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| | | | | | |
|---------------|----------|--------|--------|-------|----------|
| Phoenix | 106 | 140 | 46 | 40 | 332 |
| Twin Creeks | 555 | — | — | — | 555 |
| Long Canyon | 27 | — | — | — | 27 |
| CC&V | 459 | 22 | — | — | 481 |
| North America | 2,318 | 162 | 46 | 40 | 2,566 |
| Yanacocha | 792 | — | — | — | 792 |
| Merian | 117 | — | — | — | 117 |
| South America | 909 | — | — | — | 909 |
| Boddington | 268 | 705 | 164 | — | 1,137 |
| Tanami | 575 | — | — | — | 575 |
| Kalgoorlie | 405 | 62 | — | — | 467 |
| Australia | 1,248 | 767 | 164 | — | 2,179 |
| Ahafo | 436 | — | — | — | 436 |
| Akyem | 590 | — | — | — | 590 |
| Africa | 1,026 | — | — | — | 1,026 |
| Consolidated | \$ 5,501 | \$ 929 | \$ 210 | \$ 40 | \$ 6,680 |

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The following table details the receivables included within Trade receivables:

| | At December 31, 2018 | At December 31, 2017 |
|---|-------------------------|-------------------------|
| Receivables from Sales: | | |
| Gold sales from doré | \$ 40 | \$ — |
| Gold and copper sales from concentrate production | 211 | 117 |
| Copper sales from cathode production | 3 | 7 |
| Total receivables from Sales | \$ 254 | \$ 124 |

The impact to Sales from revenue initially recognized in previous periods due to the changes in the final pricing is an increase (decrease) of \$-, \$23 and \$19 and the impact to Sales from changes in quantities resulting from assays is an increase (decrease) of \$1, \$- and \$(10) for the years ended December 31, 2018, 2017 and 2016, respectively.

The following tables summarize the impacts of adopting ASC 606 on the Company's Consolidated Financial Statements for the year ended December 31, 2018:

| | Year Ended December 31, 2018 | | |
|--|------------------------------|---------------------|---|
| | As Reported | Effect of Change | Balance without Adoption of ASC 606 |
| Condensed Consolidated Statement of Operations | | | |
| Sales | \$ 7,253 | \$ (48) | \$ 7,205 |
| Costs applicable to sales | \$ 4,093 | \$ (34) | \$ 4,059 |
| Depreciation and amortization | \$ 1,215 | \$ (5) | \$ 1,210 |
| Income (loss) before income and mining tax and other items | \$ 738 | \$ (9) | \$ 729 |
| Income and mining tax benefit (expense) | \$ (386) | \$ 1 | \$ (385) |
| Net income (loss) | \$ 380 | \$ (8) | \$ 372 |
| Net income (loss) attributable to Newmont stockholders: | | | |
| Continuing operations | \$ 280 | \$ (8) | \$ 272 |
| Discontinued operations | 61 | — | 61 |
| | \$ 341 | \$ (8) | \$ 333 |
| Net income (loss) per common share | | | |
| Basic: | | | |
| Continuing operations | \$ 0.53 | \$ (0.01) | \$ 0.52 |
| Discontinued operations | 0.11 | — | 0.11 |
| | \$ 0.64 | \$ (0.01) | \$ 0.63 |
| Diluted: | | | |

| | | | |
|-------------------------|---------|-----------|---------|
| Continuing operations | \$ 0.53 | \$ (0.01) | \$ 0.52 |
| Discontinued operations | 0.11 | — | 0.11 |
| | \$ 0.64 | \$ (0.01) | \$ 0.63 |

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NEWMONT MINING CORPORATION

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

| | Year Ended December 31, 2018 | | |
|--|------------------------------|-----------|-------------------------------------|
| | | Effect of | Balance without Adoption of ASC 606 |
| Condensed Consolidated Statement of Cash Flows | As Reported | Change | |
| Operating activities: | | | |
| Net income (loss) | \$ 380 | \$ (8) | \$ 372 |
| Adjustments: | | | |
| Depreciation and amortization | \$ 1,215 | \$ (5) | \$ 1,210 |
| Net change in operating assets and liabilities | \$ (743) | \$ 13 | \$ (730) |
| Net cash provided by (used in) operating activities of continuing operations | \$ 1,837 | \$ — | \$ 1,837 |

| | | At December 31, 2018 | | |
|--------------------------------------|--|----------------------|--------------|---|
| | | | Effect of | Balance without Adoption of ASC 606 |
| Condensed Consolidated Balance Sheet | | As Reported | Change | |
| Trade receivables | | \$ 254 | \$ (48) | \$ 206 |
| Inventories | | \$ 630 | \$ 39 | \$ 669 |
| Total assets | | \$ 20,715 | \$ (9) | \$ 20,706 |
| Income and mining taxes payable | | \$ 71 | \$ (1) | \$ 70 |
| Total liabilities | | \$ 9,203 | \$ (1) | \$ 9,202 |
| Retained earnings | | \$ 383 | \$ (8) | \$ 375 |
| Newmont stockholders' equity | | \$ 10,502 | \$ (8) | \$ 10,494 |
| Total equity | | \$ 11,465 | \$ (8) | \$ 11,457 |
| Total liabilities and equity | | \$ 20,715 | \$ (9) | \$ 20,706 |

NOTE 5 RECLAMATION AND REMEDIATION

The Company's mining and exploration activities are subject to various domestic and international 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 to protect public health and the 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 current legal and regulatory requirements.

The Company's Reclamation and remediation expense consisted of:

| | Years Ended December 31, | | |
|---------------------------|--------------------------|--------|--------|
| | 2018 | 2017 | 2016 |
| Reclamation adjustments | \$ 33 | \$ 51 | \$ 80 |
| Reclamation accretion | 99 | 93 | 66 |
| Total reclamation expense | 132 | 144 | 146 |
| | | | |
| Remediation adjustments | 26 | 44 | 19 |
| Remediation accretion | 5 | 4 | 4 |
| Total remediation expense | 31 | 48 | 23 |
| | \$ 163 | \$ 192 | \$ 169 |

In 2018, reclamation adjustments primarily related to increased water management costs for operations no longer in production at Yanacocha, a revision in the closure plan for Lone Tree, resulting in increased monitoring costs, and increased water management costs for operations no longer in production at Carlin. In 2017, reclamation adjustments primarily related to revisions in the closure plan for the Rain mine, which is a non-operating site that is part of the Carlin mine complex. In 2016, reclamation adjustments

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primarily related to a revision in Yanacocha's closure plan which resulted in an increase in reclamation expense related to operations no longer in production. In December 2016, the Company completed a comprehensive study of the Yanacocha long-term mining and closure plans as part of the requirement to submit an updated closure plan to Peruvian regulators every five years. As a result, the Company recorded an increase to the reclamation obligation at Yanacocha of \$429. This increase to the reclamation obligation resulted in an increase to the recorded asset retirement cost asset of \$351 related to the producing portions of the mine and a non-cash charge to reclamation expense for the quarter ended December 31, 2016 of \$78 related to the areas of Yanacocha's operations no longer in production. The increase to the reclamation obligation was primarily due to higher estimated long-term water management costs, heap leach earthworks and related support activities. There were minimal changes to the updated closure plan in 2017 prior to submitting to Peruvian regulators in September 2017. The regulators completed their review and approved the updated closure plan in November 2017.

In 2018, remediation adjustments related to updated assumptions for future water management costs at the Idarado remediation site, increased costs for project activities at the Woodcutters remediation site, and increased water management costs at the Resurrection remediation site. In 2017, remediation adjustments were primarily related to increased water management and monitoring costs at the Resurrection and San Luis remediation sites, as well as increased costs for project activities at the Midnite mine and Dawn mill sites. In 2016, remediation adjustments related to increased costs for project activities at the Resurrection, Con Mine, and Idarado remediation sites.

The following is a reconciliation of Reclamation and remediation obligations:

| | Reclamation | Remediation | Total |
|---|-------------|-------------|----------|
| Balance at January 1, 2017 | \$ 1,913 | \$ 312 | \$ 2,225 |
| Additions, changes in estimates and other | 172 | 32 | 204 |
| Payments and other | (34) | (44) | (78) |
| Accretion expense | 93 | 4 | 97 |
| Balance December 31, 2017 | 2,144 | 304 | 2,448 |
| Additions, changes in estimates and other | 106 | 9 | 115 |
| Payments and other | (33) | (39) | (72) |
| Accretion expense | 99 | 5 | 104 |
| Balance December 31, 2018 | \$ 2,316 | \$ 279 | \$ 2,595 |

The current portion of reclamation was \$65 and \$60 at December 31, 2018 and 2017, respectively, and is included in Other current liabilities. The current portion of remediation was \$49 and \$43 at December 31, 2018 and 2017, respectively, and is included in Other current liabilities.

At December 31, 2018 and 2017, \$2,316 and \$2,144, respectively, were accrued for reclamation obligations relating to operating and formerly operating properties.

The Company is also involved in several matters concerning environmental remediation obligations associated with former, primarily historic, mining activities. Generally, these matters concern developing and implementing remediation plans at the various sites involved. At December 31, 2018 and 2017, \$279 and \$304, respectively, were accrued for such environmental remediation obligations. 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 40% greater or 0% lower than the amount accrued at December 31, 2018. These amounts are included in Other current liabilities and Reclamation and remediation liabilities. 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.

Included in Other non-current assets at December 31, 2018 and 2017, are \$42 and \$38, respectively, of non-current restricted cash held for purposes of settling asset retirement obligations. Of the amount in 2018, \$32 is related to the Ahafo and Akyem mines in Ghana, Africa, \$8 is related to the Con mine in Yellowknife, NWT, Canada, and \$2 is related to the San Jose Reservoir in Yanacocha, Peru. Of the amount in 2017, \$25 is related to the Ahafo and Akyem mines, \$6 is related to the Con mine, \$6 is related to the San Jose Reservoir and \$1 is related to the Midnite mine site.

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Included in Other non-current assets at December 31, 2018 and 2017, are \$57 and \$64, respectively, of non-current restricted investments, which are legally pledged for purposes of settling reclamation and remediation obligations. Of the amount in 2018, \$31 is related to the Midnite mine site, \$21 is related to the San Jose Reservoir, \$5 is related to various locations in Nevada. Of the amount in 2017, \$42 is related to the Midnite mine site, \$17 is related to the San Jose Reservoir, \$5 is related to various locations in Nevada.

NOTE 6 IMPAIRMENT OF LONG-LIVED ASSETS

| | Years Ended December 31, | | |
|---------------------|--------------------------|-------|----------|
| | 2018 | 2017 | 2016 |
| North America | \$ 366 | \$ — | \$ 1 |
| South America | — | 4 | 1,002 |
| Australia | — | 6 | — |
| Africa | 2 | — | — |
| Corporate and Other | 1 | 4 | — |
| | \$ 369 | \$ 14 | \$ 1,003 |

The 2018 impairments were primarily related to certain exploration properties of \$331 and Emigrant, within the Carlin complex, of \$35, both reported in the North America segment. The Company determined that an impairment indicator existed at certain North American exploration properties, due to the Company's decision to focus on advancing other projects, and at Emigrant, due to a change in the mine plan that resulted in a significant decrease in mine life. In addition to the impairment of long-lived assets at Emigrant, the Company also recorded an adjustment to the carrying value of the ore on leach pads resulting from the change in mine plan, impacting Costs applicable to sales and Depreciation and amortization by \$22 and \$7, respectively.

As a result of the impairment indicators, recoverability tests were performed and the Company concluded the Property, plant and mine development, net at certain North American exploration properties and Emigrant was impaired. The Company measured the impairment at the North American exploration properties using the market approach. The Company measured the impairment at Emigrant by comparing the total fair value of existing operations using the income approach. Refer to Note 16, Fair Value Accounting, for detail of the assumptions used in the determination of the fair value of the long-lived assets tested for impairment.

The 2017 impairments related to assets in South America, Australia and Corporate.

The 2016 impairments were primarily related to Yanacocha, reported in the South America segment. The Company determined that an impairment indicator existed as the Company completed a comprehensive study of the Yanacocha long-term mining and closure plans as part of the requirement to submit an updated closure plan to Peruvian regulators every five years. As a result of the impairment indicator, a recoverability test was performed and the Company concluded the Property, plant and mine development, net at Yanacocha was impaired. The Company

measured the impairment by comparing the total fair value of existing operations using the income approach and the fair value of exploration potential using the income and market approach to the carrying value of the corresponding assets. Refer to Note 16, Fair Value Accounting, for detail of the assumptions used in the determination of the fair value of the long-lived assets tested for impairment. As a result, a non-cash impairment charge of \$1,003 was recorded during the fourth quarter of 2016. For further information regarding management's assessment of the Yanacocha closure plan, see Note 5.

NOTE 7 OTHER EXPENSE, NET

| | Years Ended December 31, | | |
|------------------------------|--------------------------|-------|-------|
| | 2018 | 2017 | 2016 |
| Restructuring and other | \$ 20 | \$ 14 | \$ 32 |
| Acquisition cost adjustments | — | 2 | 10 |
| Other | 9 | 16 | 16 |
| | \$ 29 | \$ 32 | \$ 58 |

Restructuring and other. Restructuring and other represents certain costs associated with severance, legal and other settlements for all periods presented. The costs also include system integration costs during 2016 related to our acquisition of CC&V in August 2015.

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Acquisition cost adjustments. Acquisition cost adjustments represent net adjustments to the contingent consideration and related liabilities associated with the acquisition of the final 33.33% interest in Boddington in June 2009 for all periods presented.

NOTE 8 OTHER INCOME, NET

| | Years Ended December 31, | | |
|--|--------------------------|-------|--------|
| | 2018 | 2017 | 2016 |
| Gain on asset and investment sales, net | \$ 100 | \$ 23 | \$ 108 |
| Interest | 56 | 28 | 11 |
| Change in fair value of marketable equity securities | (50) | — | — |
| Foreign currency exchange, net | 42 | (28) | (9) |
| Impairment of investments | (42) | — | — |
| Insurance proceeds | 25 | 13 | — |
| Loss on debt repayment | — | — | (55) |
| Other | 24 | 18 | 14 |
| | \$ 155 | \$ 54 | \$ 69 |

Gain on asset and investment sales, net. In June 2018, the Company exchanged certain royalty interests carried at cost for cash consideration, an equity ownership in Maverix Metals Inc. ("Maverix") and warrants in Maverix, resulting in a pre-tax gain of \$100. For additional information regarding this transaction, see Note 18.

In June 2017, the Company exchanged its interest in the Fort á la Corne joint venture for equity ownership in Shore Gold Inc., resulting in a pre-tax gain of \$15.

In March 2016, the Company sold its investment in Regis Resources Ltd. ("Regis") for \$184, resulting in a pre-tax gain of \$103. The cost of the investment sold was determined using the specific identification method.

Foreign currency exchange, net. Although the majority of the Company's balances are denominated in U.S. dollars, foreign currency exchange gains (losses) are recognized on balances to be satisfied in local currencies. These balances primarily relate to the timing of payments for employee-related benefits and other current liabilities in Australia, Peru and Suriname.

Impairment of investments. In December 2018, the Company recognized investment impairments of \$33 and \$9 for other-than-temporary declines in value of an equity method investment and a cost method investment, respectively.

Insurance proceeds. In September 2018, the Company recorded business interruption insurance proceeds of \$25 associated with the East wall slips that occurred in the first half of 2018 at Kalgoorlie.

In June 2017, the Company recorded business interruption insurance proceeds of \$13 associated with the heavy rainfall at Tanami during the first quarter of 2017.

Loss on debt repayment. In 2016, the Company recorded charges of \$55 from the debt tender offer on its 2019 Senior Notes and 2039 Senior Notes in March 2016 and the extinguishment of its 2022 Senior Notes and associated forward starting swaps, reclassified from Other comprehensive income (loss), in November 2016.

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NOTE 9 INCOME AND MINING TAXES

The Company's Income and mining tax benefit (expense) consisted of:

| | Years Ended December 31, | | |
|---------------|--------------------------|------------|----------|
| | 2018 | 2017 | 2016 |
| Current: | | | |
| United States | \$ (18) | \$ (40) | \$ 101 |
| Foreign | (218) | (290) | (230) |
| | (236) | (330) | (129) |
| Deferred: | | | |
| United States | (63) | (775) | (567) |
| Foreign | (87) | (22) | 117 |
| | (150) | (797) | (450) |
| | \$ (386) | \$ (1,127) | \$ (579) |

The Company's Income (loss) before income and mining tax and other items consisted of:

| | Years Ended December 31, | | |
|---------------|--------------------------|----------|----------|
| | 2018 | 2017 | 2016 |
| United States | \$ (247) | \$ 243 | \$ 65 |
| Foreign | 985 | 829 | (285) |
| | \$ 738 | \$ 1,072 | \$ (220) |

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

| | Years Ended December 31, | | | 2016 | | |
|--|--------------------------|----------|-----|-------|----------|-------|
| | 2018 | 2017 | | | | |
| Income (loss) before income and mining tax and other items | \$ 738 | \$ 1,072 | | | \$ (220) | |
| U.S. Federal statutory tax rate | 21% | 35% | | | 35% | |
| Reconciling items: | | | | | | |
| Re-measurement due to the Tax Cuts and Jobs Act | (2) | 14 | 29 | (312) | — | — |
| Tax restructuring related to the Tax Cuts and Jobs Act | (4) | 34 | 38 | (394) | — | — |
| Percentage depletion | (7) | 49 | (8) | 81 | 39 | 85 |
| Change in valuation allowance on deferred tax assets | 24 | (175) | 7 | (80) | (225) | (497) |

Explanation of Responses:

| | | | | | | |
|---|-----|----------|-------|------------|---------|----------|
| Rate differential for foreign earnings indefinitely reinvested | 15 | (111) | — | — | — | — |
| Mining and other taxes | 9 | (63) | 4 | (41) | (28) | (61) |
| Uncertain tax position reserve adjustment | (5) | 34 | — | (4) | 3 | 7 |
| U.S. tax effect of noncontrolling interest attributable to non-U.S. investees | (4) | 26 | — | (1) | (100) | (219) |
| Tax impact on sale of assets | — | — | — | — | 16 | 36 |
| Effect of foreign earnings, net of credits | 2 | (18) | — | (4) | — | — |
| Other | 3 | (21) | — | 3 | (3) | (7) |
| Income and mining tax expense | 52% | \$ (386) | 105 % | \$ (1,127) | (263) % | \$ (579) |

Factors that Significantly Impact Effective Tax Rate

The Tax Cuts and Jobs Act and SEC Staff Accounting Bulletin 118

During the fourth quarter, the Company completed the analysis for the impact of the Tax Cuts and Jobs Act (“the Act”), enacted on December 22, 2017, within the 12 month timeframe provided under SEC Staff Accounting Bulletin 118. The Company recognized a \$45 reduction to the provisional expense, recorded in 2017, in the second quarter. The Company recorded a further and final reduction of \$3 in the fourth quarter. The total \$48 reduction to the 2017 provisional expense includes a tax benefit of \$14 for the re-

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measurement of deferred tax assets and a tax benefit of \$34 relating to the impacts of the tax restructuring the Company undertook in response to the Act.

Other

Percentage depletion allowances (tax deductions for depletion that may exceed the tax basis in the mineral reserves) are available to the Company under the income tax laws of the United States for operations conducted in the United States or through branches and partnerships owned by U.S. subsidiaries included in the consolidated United States income tax return. These deductions are highly sensitive to the price of gold and other minerals produced by the Company.

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

During the fourth quarter, the Company concluded that it is no longer more likely than not that the Company will realize the benefits of its U.S. net deferred tax assets other than those representing AMT credits. Therefore, the Company has placed a full valuation allowance of \$150 on its net U.S. deferred tax assets excluding AMT credits of \$26 that are expected to be recovered.

In response to the Act, the Company underwent a restructuring of its foreign holdings and now designates its earnings from foreign operations as permanently reinvested. The Company operates in various jurisdictions around the world that have statutory tax rates that are significantly different than those of the U.S. These differences combine to move the overall effective tax rate higher than the U.S. statutory rate. A tax expense of \$111 was recorded for 2018 as a result of this foreign rate differential.

Mining taxes in Nevada, Peru and Australia represent state and provincial taxes levied on mining operations and are classified as income taxes as such taxes are based on a percentage of mining profits.

The uncertain tax position reserve is analyzed on a quarterly basis with the changes impacting the tax expense or balance sheet. In the fourth quarter, a tax benefit of \$34 was recognized mainly due to the settlement of a disputed tax position in Canada.

The Company consolidates certain subsidiaries of which it does not own 100% of the outstanding equity. However, for tax purposes, the Company is only responsible for the income taxes on the portion of the taxable earnings attributable to its ownership interest of each consolidated entity.

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Components of the Company's deferred income tax assets (liabilities) are as follows:

| | At December 31, | |
|---|-----------------|----------|
| | 2018 | 2017 |
| Deferred income tax assets: | | |
| Property, plant and mine development | \$ 1,400 | \$ 1,350 |
| Inventory | 74 | 74 |
| Reclamation and remediation | 543 | 329 |
| Net operating losses, capital losses and tax credits | 1,078 | 1,276 |
| Investment in partnerships and subsidiaries | 121 | 86 |
| Employee-related benefits | 225 | 254 |
| Derivative instruments and unrealized loss on investments | 65 | 101 |
| Other | 186 | 263 |
| | 3,692 | 3,733 |
| Valuation allowances | (2,994) | (2,815) |
| | \$ 698 | \$ 918 |
| Deferred income tax liabilities: | | |
| Property, plant and mine development | \$ (740) | \$ (841) |
| Inventory | (135) | (64) |
| Reclamation and remediation | — | (12) |
| Derivative instruments and unrealized gain on investments | (5) | — |
| Other | (29) | (47) |
| | (909) | (964) |
| Net deferred income tax assets (liabilities) | \$ (211) | \$ (46) |

These amounts reflect the classification and presentation that is reported for each tax jurisdiction in which the Company operates.

Net deferred income tax assets and liabilities consist of:

| | At December 31, | |
|---|-----------------|---------|
| | 2018 | 2017 |
| Non-current deferred income tax assets | \$ 401 | \$ 549 |
| Non-current deferred income tax liabilities | (612) | (595) |
| | \$ (211) | \$ (46) |

Valuation of Deferred Tax Assets

The Company assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets. A significant piece of objective negative evidence evaluated was the recent pretax losses and/or expectations of future pretax losses. Such objective evidence limits the ability to

consider other subjective evidence such as our projections for future growth. On the basis of this evaluation, a valuation allowance has been recorded in the U.S., Canada and Peru. However, the amount of the deferred tax asset considered realizable could be adjusted if estimates of future taxable income during the carryforward period are increased, if objective negative evidence in the form of cumulative losses is no longer present or if additional weight were given to subjective evidence such as our projections for growth.

During 2018, the Company recorded a valuation allowance against its net deferred tax assets in the U.S., excluding the \$26 related to AMT credits, of \$150. The total valuation allowance on the U.S. deferred tax assets is \$1,112 at December 31, 2018, which includes deferred tax assets related to capital losses and foreign tax credits.

An additional valuation allowance of \$20 on the deferred tax assets in Peru was recognized in 2018. The total valuation allowance on the deferred tax assets in Peru is \$655 at December 31, 2018.

In prior periods, the Company determined that the realization of deferred tax assets related to certain carry forward amounts such as tax losses and tax pools in Canada and capital losses and capital assets in Australia, do not meet the more likely than not

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standard. Accordingly, these assets continue to be subject to a valuation allowance. At December 31, 2018, the valuation allowance related to these assets was \$1,130.

The Company also carries valuation allowances on deferred tax assets in other foreign jurisdictions of \$97.

The re-measurement of the Company's deferred tax assets due to the Tax Cuts and Jobs Act also impacted related valuation allowances.

Refer to Note 2 for additional risk factors that could impact the Company's ability to realize the deferred tax assets.

Tax Loss Carryforwards, Foreign Tax Credits, and AMT Credits

At December 31, 2018 and 2017, the Company had (i) \$659 and \$498 of net operating loss carry forwards, respectively; and (ii) \$677 and \$610 of tax credit carry forwards, respectively. At December 31, 2018 and 2017, \$516 and \$276, respectively, of net operating loss carry forwards are attributable to the U.S., Australia and France for which current tax law provides no expiration period. The remaining net operating loss carry forward in Canada will expire by 2037.

Tax credit carry forwards for 2018 and 2017 of \$651 and \$558, respectively, consist of foreign tax credits available in the United States; substantially all such credits not utilized will expire at the end of 2028. Other credit carry forwards at the end of 2018 and 2017 in the amounts of \$26 and \$52, respectively, represent alternative minimum tax credits attributable to the Company's U.S. operations for which the current tax law provides no period of expiration and which will be refunded by the end of 2023.

Company's Unrecognized Tax Benefits

At December 31, 2018, 2017 and 2016, the Company had \$43, \$68 and \$68 of total gross unrecognized tax benefits, respectively. A reconciliation of the beginning and ending amount of gross unrecognized tax benefits is as follows:

| | 2018 | 2017 | 2016 |
|--|-------|-------|-------|
| Total amount of gross unrecognized tax benefits at beginning of year | \$ 68 | \$ 68 | \$ 62 |
| Additions for tax positions of prior years | 1 | (27) | 48 |
| Additions for tax positions of current year | 2 | 30 | — |
| Reductions due to settlements with taxing authorities | (28) | — | (23) |
| Reductions due to lapse of statute of limitations | — | (3) | (19) |
| Total amount of gross unrecognized tax benefits at end of year | \$ 43 | \$ 68 | \$ 68 |

At December 31, 2018, 2017 and 2016, \$11, \$72 and \$64, respectively, represent the amount of unrecognized tax benefits that, if recognized, would impact the Company's effective income tax rate.

The Company operates in numerous countries around the world and is subject to, and pays annual income taxes under, the various income tax regimes in the countries in which it operates. Some of these tax regimes are defined by contractual agreements with the local government, and others are defined by the general corporate income tax laws of

the country. The Company has historically filed, and continues to file, all required income tax returns and paid the taxes reasonably determined to be due. The tax rules and regulations in many countries are highly complex and subject to interpretation. From time to time, the Company is subject to a review of its historic income tax filings and in connection with such reviews, disputes can arise with the taxing authorities over the interpretation or application of certain rules to the Company's business conducted within the country involved.

In December, 2018, the Company reached a settlement with the Canadian Revenue Authority relating to the pre-acquisition transaction of Fronteer Gold, Inc. and subsidiaries for which the Company previously carried an assessment of tax and interest of \$55. As a result of the settlement, a tax benefit of \$32 was recognized in the quarter.

The Ghana Revenue Authority ("GRA") is in the process of closing out their audit for tax years 2012-2017. No formal income tax assessment has been received to date. Based upon preliminary discussions, differences currently exist on the interpretation of the tax rules relating to the timing of certain deductions and the application of the Company's investment agreement relating to the

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computation of the Ghanaian project's net cash flow. Ongoing discussions are anticipated and the Company will continue to vigorously defend its position through all processes available.

The Australian Taxation Office ("ATO") is conducting a limited review of the Company's prior year tax returns. The ATO is focused on reviewing an internal reorganization executed in 2011 when Newmont completed a restructure of the shareholding in the Company's Australian subsidiaries. To date, the Company has responded to inquiries from the ATO and provided them with supporting documentation for the transaction and the Company's associated tax positions. One aspect of the ATO review relates to an Australian capital gains tax that applies to sales or transfers of stock in certain types of entities. In the fourth quarter of 2017, the ATO notified the Company that it believes the 2011 reorganization is subject to capital gains tax of approximately \$83 (including interest and penalties). The Company disputes this conclusion and intends to vigorously defend its position that the transaction is not subject to this tax. In the fourth quarter of 2017, the Company made a \$25 payment to the ATO and lodged an Appeal with the Australian Federal Court to preserve its right to contest the ATO conclusions on this matter. The Company reflects this payment as a receivable as it believes that it will ultimately prevail in this dispute. The Company continues to monitor the status of the ATO's review which it expects to continue into 2019.

The Company and/or subsidiaries file income tax returns in the U.S. federal jurisdiction, and various state and foreign jurisdictions. With few exceptions, the Company is no longer subject to U.S. Federal, state and local, and non-U.S. income tax examinations by tax authorities for years before 2012. As a result of (i) statute of limitations that will begin to expire within the next 12 months in various jurisdictions, and (ii) possible settlements of audit-related issues with taxing authorities in various jurisdictions, the Company believes that it is reasonably possible that the total amount of its unrecognized income tax liability will decrease between \$5 and \$10 in the next 12 months.

The Company's practice is to recognize interest and/or penalties related to unrecognized tax benefits as part of its income and mining tax expense. At December 31, 2018 and 2017, the total amount of accrued income-tax-related interest and penalties included in the Consolidated Balance Sheets was \$2 and \$19, respectively. During 2018, 2017, and 2016 the Company released \$17 and accrued \$2 and \$3 of interest and penalties, respectively, through the Consolidated Statements of Operations.

Other

No additional income taxes have been provided for any remaining undistributed foreign earnings not subject to the transition tax, or any additional outside basis difference inherent in these entities, as these amounts continue to be indefinitely reinvested in foreign operations.

NOTE 10 EQUITY INCOME (LOSS) OF AFFILIATES

| | Years Ended December 31, | | |
|------------------------|--------------------------|---------|---------|
| | 2018 | 2017 | 2016 |
| TMAC Resources Inc. | \$ (16) | \$ (6) | \$ (7) |
| Minera La Zanja S.R.L. | (10) | (5) | — |
| Euronimba Ltd. | (7) | (5) | (6) |
| | \$ (33) | \$ (16) | \$ (13) |

TMAC Resources Inc.

At December 31, 2018, Newmont held a 28.64% interest in TMAC Resources Inc. (“TMAC”). Refer to Note 18 for additional information.

Minera La Zanja S.R.L.

At December 31, 2018, Newmont held a 46.94% interest in Minera La Zanja, S.R.L. (“La Zanja”), a gold mine near the city of Cajamarca, Peru. The remaining interest is held by Compañía de Minas Buenaventura, S.A.A. (“Buenaventura”). The mine commenced operations in September 2011 and is operated by Buenaventura.

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Euronimba Ltd.

At December 31, 2018, Newmont held a 45% interest in Euronimba Ltd. (“Euronimba”), with the remaining interests held by BHP Billiton (45%) and Areva (10%). Euronimba owns 95% of the Nimba iron ore project located in the Republic of Guinea.

Maverix Metals Inc.

At December 31, 2018, Newmont held a 27.85% interest in Maverix. During the year ended December 31, 2018, there was nominal income. Refer to Note 8 and Note 18 for additional information.

NOTE 11 DISCONTINUED OPERATIONS

The details of our Net income (loss) from discontinued operations, net of tax are set forth below:

| | Years Ended December 31, | | |
|--|--------------------------|---------|----------|
| | 2018 | 2017 | 2016 |
| Holt royalty obligation | \$ 57 | \$ (44) | \$ (50) |
| Batu Hijau contingent consideration and other | 4 | 6 | — |
| Batu Hijau operations | — | — | 514 |
| Loss on sale of Batu Hijau | — | — | (595) |
| Net income (loss) from discontinued operations | \$ 61 | \$ (38) | \$ (131) |

The Holt Royalty Obligation

Discontinued operations include a retained royalty obligation (“Holt”) to Holloway Mining Company. Holloway Mining Company, which owned the Holt-McDermott property, was sold to St. Andrew Goldfields Ltd. (“St. Andrew”) in 2006. St. Andrew was acquired by Kirkland Lake Gold Ltd. (formerly known as Kirkland Lake Gold Inc.) in January 2016. In 2009, the Superior Court issued a decision finding Newmont Canada Corporation (“Newmont Canada”) liable for a royalty on production from Holt, which Newmont Canada appealed. In May 2011, the Ontario Court of Appeal upheld the Superior Court ruling finding Newmont liable for the royalty obligation, which equals 0.013% of net smelter returns multiplied by the quarterly average gold price, minus a 0.013% of net smelter returns. There is no cap on the royalty and it will increase or decrease with changes in gold price, discount rate, and gold production scenarios. Refer to Note 16 for additional information on the Holt royalty.

At December 31, 2018 and 2017, the estimated fair value of the Holt royalty obligation was \$161 and \$243, respectively. Changes to the estimated fair value resulting from periodic revaluations are recorded to Net income (loss) from discontinued operations, net of tax. For the years ended 2018, 2017 and 2016, the Company recorded a gain (loss) of \$57, \$(44) and \$(50), net of tax benefit (expense) of \$(15), \$24 and \$19, respectively, related to the Holt royalty obligation. During 2018, 2017 and 2016, the Company paid \$10, \$12 and \$11, respectively, related to the Holt royalty obligation.

The Batu Hijau Transaction

On November 2, 2016, Nusa Tenggara Partnership B.V. (owned 56.25% by the Company and 43.75% by Nusa Tenggara Mining Corporation, majority owned by Sumitomo Corporation) completed the sale and purchase agreement with PT Amman Mineral Internasional (“PTAMI”) to sell its 56% ownership interest in PTNNT, which operated the Batu Hijau copper and gold mine in Indonesia. In addition, NVL (USA) Limited (“NVL”), a wholly owned subsidiary of the Company, (i) sold a loan made to PT Pukuaifu Indah (“PTPI”), secured by PTPI’s 17.8% interest in PTNNT, to PTAMI, and (ii) consented to PT Indonesia Masabaga Investama (“PTIMI”) selling its 2.2% interest in PTNNT to PTAMI with sale proceeds applied toward repayment of an NVL loan to PTIMI. Through these transactions, Newmont effectively sold its 48.5% economic interest in PTNNT to PTAMI and has no remaining interest.

The sales proceeds received by the Company for its 48.5% economic interest in PTNNT includes \$920 in cash attributable to Newmont that was received, as well as contingent payments totaling up to \$403 attributable to Newmont. The contingent payments include (i) a Metal Price Upside deferred payment of up to \$133, (ii) an Elang Development deferred payment of \$118 and (iii) a

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Contingent Payment of up to \$152. The contingent payment amounts are determined based on certain metal price, shipment or project development criteria, as described below.

The Metal Price Upside contingent payment of up to \$133 is payable for any quarter in which the London Metal Exchange (“LME”) quarterly average copper price exceeds \$3.75 per pound. It is calculated as 30% of the product of (i) the difference between the LME quarterly average copper price and \$3.75 and (ii) 96.5% of the total pounds of copper contained in shipments of mineral products mined or produced from Batu Hijau that arrived in a buyers’ or customers’ designated port for delivery during the previous quarter. The Elang Development deferred payment totaling \$118 is payable no later than the first anniversary of the first shipment of any form of saleable copper, gold or silver product produced from the Elang development area. The Contingent Payment of up to \$152 is payable (i) as a payment of \$76 if in any year after 2022 in which there is production from Phase 7 of the Batu Hijau mine and the LME annual average copper price is \$2.75 or more per pound and (ii) if the full Contingent Payment amount has not already been paid, a payment of \$76 in any year in which the LME annual average copper price in respect to such year is \$3.25 or more per pound and after both the second anniversary of the first shipment of concentrate (or any other form of saleable copper, gold or silver product) produced from the Elang development area and December 31, 2023. The Contingent Payment and the Elang Development deferred payment deeds are derivatives under ASC 815 and were recorded at fair value of \$26 and \$23 as of December 31, 2018 and 2017, respectively. Changes to the estimated fair value resulting from periodic revaluations are recorded net of tax to Net income (loss) from discontinued operations. For the years ended December 31, 2018, 2017 and 2016, the Company recorded a gain (loss) of \$2, \$6 and \$-, net, of tax benefit (expense) of \$(1), \$(4) and \$-, respectively, related to the contingent consideration. For further information about the valuation of the Batu Hijau Contingent Consideration, see Note 16.

Newmont recognized a loss on sale of \$595 in 2016, calculated using the gross cash proceeds of \$920 and certain contingent payments deemed to be derivatives, less the carrying value of the PTNNT disposal group and selling costs.

Net income (loss) from discontinued operations, net of tax in the Consolidated Statements of Operations that relates to Batu Hijau consists of the following:

| | Year Ended 2016 |
|--|-----------------------|
| Sales | \$ 1,668 |
| Costs and expenses: | |
| Costs applicable to sales (1) | 668 |
| Depreciation and amortization | 139 |
| Reclamation and remediation | 12 |
| Advanced projects, research and development | 2 |
| General and administrative | 10 |
| Other expense (income), net | (1) |
| | 830 |
| Interest expense, net | (15) |
| Income (loss) before income and mining tax and other items | 823 |

| | |
|---|----------|
| Income and mining tax benefit (expense) | (309) |
| Net income (loss) from discontinued operations | 514 |
| Loss on sale of Batu Hijau, net of tax | (595) |
| | (81) |
| Net loss (income) attributable to noncontrolling interests | (272) |
| Net income (loss) from discontinued operations attributable to Newmont stockholders | \$ (353) |

⁽¹⁾ Excludes Depreciation and amortization and Reclamation and remediation.

The Consolidated Statements of Comprehensive Income (Loss) were not impacted by discontinued operations as PTNNT did not have any Other comprehensive income (loss).

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Cash flows from Batu Hijau consisted of the following:

| | Year Ended 2016 |
|---|-----------------------|
| Net cash provided by (used in) operating activities | \$ 880 |
| Net cash provided by (used in) investing activities | (46) |
| Net cash provided by (used in) financing activities | (331) |
| Net cash provided by (used in) Batu Hijau discontinued operations | \$ 503 |

During the second quarter and third quarter of 2016, the Company paid \$140 and \$190, respectively, extinguishing the PTNNT revolving credit facility.

NOTE 12 NET INCOME (LOSS) ATTRIBUTABLE TO NONCONTROLLING INTERESTS FROM CONTINUING OPERATIONS

| | Years Ended December 31, | | |
|---------------|--------------------------|-------|----------|
| | 2018 | 2017 | 2016 |
| Merian | \$ 71 | \$ 69 | \$ 10 |
| Yanacocha (1) | (32) | (63) | (595) |
| Other | — | (1) | (1) |
| | \$ 39 | \$ 5 | \$ (586) |

(1) Included in Yanacocha is \$1 loss attributable to the Contingently redeemable noncontrolling interest for the year ended December 31, 2018.

Newmont has a 75.0% economic interest in Suriname Gold Project C.V. (“Merian”), with the remaining interests held by Staatsolie Maatschappij Suriname N.V. (“Staatsolie”), a company wholly owned by the Republic of Suriname. Newmont consolidates Merian, through its wholly-owned subsidiary, Newmont Suriname LLC., in its Consolidated Financial Statements as the primary beneficiary of Merian, which is a variable interest entity.

In December 2017, Yanacocha repurchased a 5% ownership interest from International Finance Corporation, which resulted in Newmont’s ownership in Yanacocha increasing from 51.35% to 54.05%, with the remaining interests held by Buenaventura (which increased from 43.65% to 45.95%). In June 2018, Yanacocha sold a 5% ownership interest to Summit Global Management II VB, a subsidiary of Sumitomo Corporation (“Sumitomo”), in exchange for \$48 in cash, which resulted in Newmont’s and Buenaventura’s ownership returning to 51.35% and 43.65%, respectively.

Under the terms of the transaction, Sumitomo has the option to require Yanacocha to repurchase the interest for \$48 if the Yanacocha Sulfides project does not adequately progress by June 2022 or if the project is approved with an incremental rate of return below a contractually agreed upon rate. Consequently, Sumitomo's interest has been classified outside of permanent equity as Contingently redeemable noncontrolling interest on the Consolidated Balance Sheets. Under the terms of the sales agreement, the cash paid by Sumitomo at closing has been placed in escrow for repayment in the event the option is exercised. The Company continues to consolidate Yanacocha in its Consolidated Financial Statements under the voting interest model.

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The following summarizes the assets and liabilities of Merian, (including noncontrolling interests):

| | At December 31, | |
|---|-----------------|--------|
| | 2018 | 2017 |
| Current assets: | | |
| Cash and cash equivalents | \$ 40 | \$ 27 |
| Trade receivables | 38 | — |
| Inventories | 82 | 79 |
| Stockpiles and ore on leach pads | 35 | 21 |
| Other current assets (1) | 5 | 6 |
| | 200 | 133 |
| Non-current assets: | | |
| Property, plant and mine development, net | 766 | 769 |
| Other non-current assets (2) | 4 | 8 |
| Total assets | \$ 970 | \$ 910 |
| Current liabilities: | | |
| Accounts payable | \$ 23 | \$ 22 |
| Other current liabilities (3) | 27 | 28 |
| | 50 | 50 |
| Non-current liabilities: | | |
| Reclamation and remediation liabilities | 25 | 17 |
| Other non-current liabilities (4) | 1 | 1 |
| Total liabilities | \$ 76 | \$ 68 |

(1) Other current assets include other accounts receivable, prepaid assets and other current assets.

(2) Other non-current assets include intangibles, stockpiles and ore on leach pads.

(3) Other current liabilities include employee-related benefits and other current liabilities.

(4) Other non-current liabilities include employee related benefits.

Placeholder

NOTE 13 NEWMONT EQUITY AND NET INCOME (LOSS) PER COMMON SHARE

Newmont Common Stock

In September 2018, Newmont filed a shelf registration statement on Form S-3 under which it can issue an indeterminate number or amount of common stock, preferred stock, debt securities, guarantees of debt securities and warrants from time to time at indeterminate prices, subject to the limitations of the Delaware General Corporation Law, our certification of incorporation and our bylaws. It also includes the ability to resell an indeterminate amount of common stock, preferred stock and debt securities from time to time upon exercise of warrants or conversion of convertible securities.

Net Income (Loss) per Common Share

Basic income (loss) 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 (loss) per common share is computed similarly except that weighted average common shares is increased to reflect all dilutive instruments, including employee stock

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awards and convertible debt instruments. The dilutive effects of Newmont's dilutive securities are calculated using the treasury stock method and only those instruments that result in a reduction in income per share are included in the calculation.

| | Years Ended December 31, | | |
|--|--------------------------|-----------|-----------|
| | 2018 | 2017 | 2016 |
| Net income (loss) attributable to Newmont stockholders: | | | |
| Continuing operations | \$ 280 | \$ (76) | \$ (226) |
| Discontinued operations | 61 | (38) | (403) |
| | \$ 341 | \$ (114) | \$ (629) |
| Weighted average common shares (millions): | | | |
| Basic | 533 | 533 | 530 |
| Effect of employee stock-based awards | 2 | 2 | 2 |
| Diluted | 535 | 535 | 532 |
| Net income (loss) per common share attributable to Newmont stockholders: | | | |
| Basic: | | | |
| Continuing operations | \$ 0.53 | \$ (0.14) | \$ (0.43) |
| Discontinued operations | 0.11 | (0.07) | (0.76) |
| | \$ 0.64 | \$ (0.21) | \$ (1.19) |
| Diluted: | | | |
| Continuing operations | \$ 0.53 | \$ (0.14) | \$ (0.42) |
| Discontinued operations | 0.11 | (0.07) | (0.76) |
| | \$ 0.64 | \$ (0.21) | \$ (1.18) |

The Company reported a loss from continuing operations attributable to Newmont stockholders for the years ended December 31, 2017 and 2016. Therefore, the potentially dilutive effects at December 31, 2017 and 2016 were not included in the computation of diluted loss per common share attributable to Newmont stockholders because their inclusion would have been anti-dilutive to the computation.

During the year ended December 31, 2018, the Company repurchased and retired approximately 2.7 million shares of its common stock for \$98, of which approximately 0.7 million shares related to common stock that was held by participants in the Retirement Savings Plan of Newmont and Retirement Savings Plan for hourly-Rated Employees of Newmont. During the year ended December 31, 2018, the Company withheld 1.0 million shares for payments of employee withholding taxes related to the vesting of stock awards.

In July 2007, Newmont issued \$575 of Convertible Senior Notes due in 2017 that, if converted, may have had a dilutive effect on the Company's weighted average number of common shares. The effect of contingently convertible instruments on diluted earnings per share was calculated under the net share settlement method in accordance with ASC guidance. The conversion price for the notes exceeded the Company's share price for the years ended December 31, 2017 and 2016; therefore, no additional shares were included in the computation of diluted weighted average

common shares. In July 2017, the 2017 Notes were retired.

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NOTE 14 EMPLOYEE-RELATED BENEFITS

| | At December 31, | |
|---|-----------------|--------|
| | 2018 | 2017 |
| Current: | | |
| Accrued payroll and withholding taxes | \$ 263 | \$ 264 |
| Peruvian workers' participation and other bonuses | 19 | 22 |
| Employee pension benefits | 5 | 7 |
| Other post-retirement benefit plans | 6 | 5 |
| Accrued severance | 2 | 1 |
| Other employee-related payables | 10 | 10 |
| | \$ 305 | \$ 309 |
| Non-current: | | |
| Employee pension benefits | \$ 149 | \$ 129 |
| Accrued severance | 163 | 162 |
| Other post-retirement benefit plans | 76 | 81 |
| Other employee-related payables | 13 | 14 |
| | \$ 401 | \$ 386 |

Pension and Other Benefit Plans

The Company provides defined benefit pension plans to eligible employees. Benefits are generally based on years of service and the employee's average annual compensation. Various international pension plans are based on local laws and requirements. Pension costs are determined annually by independent actuaries and pension contributions to the qualified plans are made based on funding standards established under the Employee Retirement Income Security Act of 1974, as amended.

The following tables provide a reconciliation of changes in the plans' benefit obligations and assets' fair values for 2018 and 2017:

| | Pension Benefits | | Other Benefits | |
|---|------------------|----------|----------------|-------|
| | 2018 | 2017 | 2018 | 2017 |
| Change in benefit obligation: | | | | |
| Benefit obligation at beginning of year | \$ 1,121 | \$ 1,025 | \$ 86 | \$ 84 |
| Service cost | 31 | 29 | 1 | 1 |
| Interest cost | 41 | 44 | 3 | 4 |
| Actuarial loss (gain) | (87) | 73 | (5) | 2 |
| Amendments | — | — | — | (2) |
| Settlement payments | — | (10) | — | — |
| Benefits paid | (43) | (40) | (3) | (3) |
| Projected benefit obligation at end of year | \$ 1,063 | \$ 1,121 | N/A | N/A |
| Accumulated benefit obligation | \$ 1,038 | \$ 1,098 | \$ 82 | \$ 86 |

Change in fair value of assets:

| | | | | |
|---|--------|--------|-------|-------|
| Fair value of assets at beginning of year | \$ 985 | \$ 833 | \$ — | \$ — |
| Actual return on plan assets | (62) | 130 | — | — |
| Employer contributions | 29 | 72 | 3 | 3 |
| Settlement payments | — | (10) | — | — |
| Benefits paid | (43) | (40) | (3) | (3) |
| Fair value of assets at end of year | \$ 909 | \$ 985 | \$ — | \$ — |
| Unfunded status, net | \$ 154 | \$ 136 | \$ 82 | \$ 86 |

The Company's qualified pension plans are funded with cash contributions in compliance with Internal Revenue Service rules and regulations. The Company's non-qualified and other benefit plans are currently not funded, but exist as general corporate obligations. The information contained in the above tables presents the combined funded status of qualified and non-qualified plans. The Company reviews its retirement benefit programs on a regular basis and will consider market conditions and the funded status of its qualified pension plans in determining whether additional contributions are appropriate in calendar year 2019.

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The following table provides the net pension and other benefits amounts recognized in the Consolidated Balance Sheets at December 31:

| | Pension Benefits | | Other Benefits | |
|--|------------------|----------|----------------|-------|
| | 2018 | 2017 | 2018 | 2017 |
| Accrued employee benefit liability | \$ 154 | \$ 136 | \$ 82 | \$ 86 |
| Accumulated other comprehensive income (loss): | | | | |
| Net actuarial gain (loss) | (412) | (409) | 19 | 14 |
| Prior service credit | 39 | 46 | 23 | 29 |
| | (373) | (363) | 42 | 43 |
| Less: Income taxes | 78 | 127 | (9) | (15) |
| | \$ (295) | \$ (236) | \$ 33 | \$ 28 |

The following table provides components of the net periodic pension and other benefits costs (credits) for the years ended December 31:

| | Pension Benefit Costs (Credits) | | | Other Benefit Costs (Credits) | | |
|------------------------------------|------------------------------------|-------|-------|----------------------------------|--------|------|
| | 2018 | 2017 | 2016 | 2018 | 2017 | 2016 |
| Service cost | \$ 31 | \$ 29 | \$ 28 | \$ 1 | \$ 1 | \$ 2 |
| Interest cost | 41 | 44 | 45 | 3 | 4 | 4 |
| Expected return on plan assets | (68) | (63) | (58) | — | — | — |
| Amortization, net | 32 | 30 | 25 | (7) | (7) | (6) |
| Net periodic benefit cost (credit) | \$ 36 | \$ 40 | \$ 40 | \$ (3) | \$ (2) | \$ — |
| Settlements | — | 5 | 6 | — | — | — |
| Total benefit cost (credit) | \$ 36 | \$ 45 | \$ 46 | \$ (3) | \$ (2) | \$ — |

The following table provides the components recognized in Other comprehensive income (loss) for the years ended December 31:

| | Pension Benefits | | | Other Benefits | | |
|---|------------------|---------|-------|----------------|------|---------|
| | 2018 | 2017 | 2016 | 2018 | 2017 | 2016 |
| Net loss (gain) | \$ 42 | \$ 5 | \$ 61 | \$ (6) | \$ — | \$ (11) |
| Amortization, net | (32) | (30) | (25) | 7 | 7 | 6 |
| Settlements | — | (5) | (6) | — | — | — |
| Total recognized in other comprehensive income (loss) | \$ 10 | \$ (30) | \$ 30 | \$ 1 | \$ 7 | \$ (5) |
| Total recognized in net periodic benefit cost and other comprehensive income (loss) | \$ 46 | \$ 15 | \$ 76 | \$ (2) | \$ 5 | \$ (5) |

Actuarial losses in excess of 10 percent of the greater of the projected benefit obligation or market-related value of plan assets are amortized over the expected average remaining future service period of the current active participants. The expected recognition of amounts in Accumulated other comprehensive income (loss) is \$30 and \$(8) for net actuarial loss and prior service credit for pension benefits in 2019, respectively, and \$(2) and \$(6) for net actuarial gain and prior service credit for other benefits in 2019, respectively.

The significant assumptions used in measuring the Company's benefit obligation were mortality assumptions and discount rate.

The mortality assumptions used to measure the pension and other post retirement obligation incorporate future mortality improvements from tables published by the Society of Actuaries. In October 2014, the Society of Actuaries released new RP-2014 mortality tables with MP-2014 generational projection scales. These mortality scales have been updated by the Society of Actuaries every year since 2014. The Company has utilized the respective years' updated generational projection scales to measure the pension and other post retirement obligations as of December 31, 2018 and 2017.

Yield curves matching the Company's benefit obligations were derived using a model based on high quality corporate bond data from Bloomberg. The model develops a discount rate by selecting a portfolio of high quality corporate bonds whose projected cash flows match the projected benefit payments of the plan. The resulting curves were used to identify a weighted average discount rate for the Company of 4.40% and 3.77% at December 31, 2018 and 2017, respectively, based on the timing of future benefit payments.

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The significant assumptions used in measuring the Company's net periodic benefit cost were discount rate and expected return on plan assets:

| | Pension Benefits | | | Other Benefits | | |
|---|--------------------------|------|------|--------------------------|------|------|
| | Years Ended December 31, | | | Years Ended December 31, | | |
| | 2018 | 2017 | 2016 | 2018 | 2017 | 2016 |
| Weighted average assumptions used in measuring the net periodic benefit cost: | | | | | | |
| Discount rate | 3.77 | % | 4.36 | % | 4.80 | % |
| Expected return on plan assets | 7.25 | % | 7.25 | % | 7.25 | % |
| | | | | N/A | N/A | N/A |

The expected long-term return on plan assets used for each period in the three years ended December 31, 2018 was determined based on an analysis of the asset returns over multiple time horizons for the Company's actual plan and for other comparable U.S. corporations. At December 31, 2018, Newmont has estimated the expected long-term return on plan assets to be 6.75% which will be used in determining future net periodic benefit cost. The Company determines the long-term return on plan assets by considering the most recent capital market forecasts, the plans' current asset allocation and the actual return on plan assets in comparison to the expected return on assets over the last 5 years. The average actual return on plan assets during the 30 years ended December 31, 2018 approximated 7.98%.

Newmont has two pension calculations for salaried U.S. employees. The first is a "Final Average Pay" pension calculation which pays a monthly amount to employees in retirement based, in part, on their highest five year eligible earnings and years of credited service. The second is the "Stable Value" calculation which provides a lump sum payment to employees upon retirement. The amount of the lump sum is the total of annual accruals based on the employee's eligible earnings and years of service during that year. The benefits accrued under the Final Average Pay formula were frozen on June 30, 2014 for those eligible employees. Beginning July 1, 2014, all future accruals are based on the terms and features of the Stable Value calculation.

The pension plans employ an independent investment firm which invests the assets of the plans in certain approved funds that correspond to specific asset classes with associated target allocations. The goal of the pension fund investment program is to achieve prudent actuarial funding ratios while maintaining acceptable risk levels. The investment performance of the plans and that of the individual investment firms is measured against recognized market indices. The performance of the pension funds are monitored by an investment committee comprised of members of the Company's management, which is advised by an independent investment consultant. With the exception of global capital market economic risks, the Company has identified no significant portfolio risks associated to asset classes. The following is a summary of the target asset allocations for 2018 and the actual asset allocation at December 31, 2018.

| Asset Allocation | Target | Actual at December 31, 2018 |
|----------------------------------|--------|-----------------------------|
| U.S. equity investments | 11 % | 11 % |
| International equity investments | 12 % | 11 % |

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| | | | | |
|---|----|---|----|---|
| World equity fund (U.S. and International equity investments) | 20 | % | 19 | % |
| High yield fixed income investments | 4 | % | 4 | % |
| Fixed income investments | 45 | % | 47 | % |
| Other | 8 | % | 8 | % |

The following table sets forth the Company's pension plan assets measured at fair value at December 31, 2018 and 2017:

| | Fair Value at December 31, | |
|---------------------------|----------------------------|--------|
| | 2018 | 2017 |
| Plan Assets: | | |
| Cash and cash equivalents | \$ 3 | \$ 3 |
| Commingled funds | 906 | 982 |
| | \$ 909 | \$ 985 |

Cash and cash equivalent instruments are valued based on quoted market prices in active markets, which are primarily invested in money market securities and U.S. Treasury securities.

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The pension plans' commingled fund investments are managed by several fund managers and are valued at the net asset value per share for each fund. Although the majority of the underlying assets in the funds consist of actively traded equity securities and bonds, the unit of account is considered to be at the fund level. These funds require less than a month's notice for redemptions and can be redeemed at the net asset value per share.

The assumed health care trend rate used to measure the expected cost of benefits is 6.20% in 2019 and decreases gradually each year to 5.00% in 2023, which is used thereafter. A one percent change in the assumed health care cost trend rates would have the following effects:

| | One-percentage-point Increase | One-percentage-point Decrease |
|--|----------------------------------|----------------------------------|
| Effect on total of service and interest cost components of net periodic post-retirement health care benefit cost | \$ — | \$ — |
| Effect on the health care component of the accumulated post-retirement benefit obligation | \$ 2 | \$ (2) |

Cash Flows

Benefit payments expected to be paid to pension plan participants are as follows: \$58 in 2019, \$62 in 2020, \$67 in 2021, \$70 in 2022, \$73 in 2023, and \$381 in total over the five years from 2024 through 2028. Benefit payments made to other benefit plan participants are expected to be as follows: \$5 in 2019, \$5 in 2020, \$5 in 2021, \$6 in 2022, \$6 in 2023, and \$29 in total over the five years from 2024 through 2028.

Savings Plans

The Company has two qualified defined contribution savings plans in the U.S.; one that covers salaried and non-union hourly employees and one that covers substantially all hourly union employees. In addition, the Company has one non-qualified supplemental savings plan for salaried employees whose benefits under the qualified plan are limited by federal regulations. When an employee meets eligibility requirements, the Company matches 100% of employee contributions of up to 6% of eligible earnings for the salaried and hourly union plans. Hourly non-union employees receive an additional retirement contribution to the participant's retirement contribution account equal to an amount which is paid and determined by the Company. Matching contributions are made in cash.

NOTE 15 STOCK-BASED COMPENSATION

The Company has stock incentive plans for directors, executives and eligible employees. Stock incentive awards include restricted stock units ("RSUs"), performance leveraged stock units ("PSUs"), and strategic stock units ("SSUs"). The SSU program was discontinued and no additional SSUs were granted after 2015. The Company issues new shares of common stock to satisfy exercises and vesting under all of its stock incentive awards. Prior to 2012, the Company also granted options to purchase shares of stock with exercise prices not less than fair market value of the underlying stock at the date of grant. At December 31, 2018, 8,932,698 shares were authorized for future stock incentive plan awards.

Employee Stock Options

Explanation of Responses:

Stock options granted under the Company's stock incentive plans vest over periods of three years or more and are exercisable over a period of time not to exceed 10 years from the grant date. The value of each option award is estimated at the grant date using the Black-Scholes option pricing model. There were no options granted in 2018, 2017 or 2016. At December 31, 2018, there were 800,262 shares outstanding and exercisable, at a weighted average exercise price of \$53.29, with a weighted average remaining contractual life of 2 years.

Other Stock-Based Compensation

The Company grants RSUs to executives and eligible employees. Awards are determined as a target percentage of base salary and, for eligible employees, are subject to a personal performance factor. RSUs vest over periods of three years or more, unless the employee becomes retirement eligible during the vesting period for all grants issued prior to February 2018. Starting with the February

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2018 grant, if the employee becomes retirement eligible at any point during the vesting period, the entire award is considered earned after the later of the one-year service period from the grant date or the retirement eligible date. Prior to vesting, holders of RSUs do not have the right to vote the underlying shares; however, executives accrue dividend equivalents on their RSUs, which are paid at the time the RSUs vest. The accrued dividend equivalents are not paid if shares are forfeited. The RSUs are subject to forfeiture risk and other restrictions. Upon vesting, the employee is entitled to receive one share of the Company's common stock for each restricted stock unit.

The Company grants PSUs to eligible executives, based upon certain measures of shareholder return. These measures include absolute shareholder return and relative shareholder return compared to our proxy peer group. The actual number of PSUs that vest are determined at the end of a three year performance period.

From 2013 to 2015, the Company granted SSUs to eligible executives, based upon certain measures of adjusted earnings before income tax, depreciation and amortization ("Adjusted EBITDA"), based on a targeted number of shares at the beginning of each performance period. At the end of the performance period, one third of the SSUs are issued without restriction in the form of common stock, and two-thirds of the award is paid in RSUs that vest in equal annual increments at the second and third anniversaries of the start of the performance period.

A summary of the status and activity of non-vested RSUs and PSUs for the year ended December 31, 2018 is as follows:

| | RSU | | PSU | |
|---------------------------------|-------------|---|-------------|---|
| | Number of | Weighted Average Grant-Date Fair Value | Number of | Weighted Average Grant-Date Fair Value |
| | Shares | | Shares | |
| Non-vested at beginning of year | 2,616,540 | \$ 30.39 | 2,594,570 | \$ 42.27 |
| Granted | 1,171,275 | \$ 38.84 | 1,531,842 | \$ 42.44 |
| Vested | (1,460,828) | \$ 30.23 | (1,746,596) | \$ 41.79 |
| Forfeited | (160,289) | \$ 34.68 | (135,785) | \$ 42.79 |
| Non-vested at end of year | 2,166,698 | \$ 34.75 | 2,244,031 | \$ 42.73 |

The total intrinsic value and fair value of RSUs that vested in 2018, 2017 and 2016 was \$46, \$43 and \$27, respectively. The total intrinsic value and fair value of PSUs that vested in 2018, 2017 and 2016 was \$68, \$56 and \$16, respectively. The total intrinsic value and fair value of SSUs that vested in 2018, 2017 and 2016 was \$-, \$6 and \$7, respectively.

Cash flows resulting from excess tax benefits are classified as part of cash flows from operating activities. Excess tax benefits are realized tax benefits from tax deductions for vested RSUs, settled PSUs, and exercised options in excess of the deferred tax asset attributable to stock compensation costs for such equity awards. The Company recorded \$3 and \$5 in excess tax benefits for the years ended December 31, 2018 and 2017, respectively, and no excess tax benefits for the year ended December 31, 2016.

At December 31, 2018, there was \$38 and \$32 of unrecognized compensation costs related to the unvested RSU and PSUs, respectively. This cost is expected to be recognized over a weighted average period of approximately two years.

The Company recognized stock-based compensation as follows:

| | Years Ended December 31, | | |
|-----------------------------------|-----------------------------|-------|-------|
| | 2018 | 2017 | 2016 |
| Stock-based compensation: | | | |
| Restricted stock units | \$ 45 | \$ 34 | \$ 31 |
| Performance leveraged stock units | 31 | 35 | 34 |
| Strategic stock units | — | 1 | 5 |
| | \$ 76 | \$ 70 | \$ 70 |

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NOTE 16 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, quoted prices for similar assets or liabilities in active markets, quoted prices or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability and model-based valuation techniques (e.g. the Black-Scholes model) for which all significant inputs are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities; 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 tables set 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 U.S. GAAP, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

| | Fair Value at December 31, 2018 | | | |
|--|---------------------------------|----------|----------|---------|
| | Total | Level 1 | Level 2 | Level 3 |
| Assets: | | | | |
| Cash and cash equivalents | \$ 3,397 | \$ 3,397 | \$ — | \$ — |
| Restricted cash | 92 | 92 | — | — |
| Trade receivable from provisional gold and copper concentrate sales, net | 209 | — | 209 | — |
| Marketable equity securities | 127 | 114 | 13 | — |
| Restricted marketable debt securities | 51 | 21 | 30 | — |
| Restricted other assets | 6 | 6 | — | — |
| Batu Hijau contingent consideration | 26 | — | — | 26 |
| | \$ 3,908 | \$ 3,630 | \$ 252 | \$ 26 |
| Liabilities: | | | | |
| Debt (1) | \$ 4,229 | \$ — | \$ 4,229 | \$ — |
| Diesel derivative contracts | 5 | — | 5 | — |
| Holt royalty obligation | 161 | — | — | 161 |
| | \$ 4,395 | \$ — | \$ 4,234 | \$ 161 |

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| | Fair Value at December 31, 2017 | | | |
|--|---------------------------------|----------|----------|---------|
| | Total | Level 1 | Level 2 | Level 3 |
| Assets: | | | | |
| Cash and cash equivalents | \$ 3,259 | \$ 3,259 | \$ — | \$ — |
| Restricted cash | 39 | 39 | — | — |
| Trade receivable from provisional gold and copper concentrate sales, net | 111 | — | 111 | — |
| Diesel derivative contracts | 6 | — | 6 | — |
| Marketable equity securities | 165 | 165 | — | — |
| Restricted marketable debt securities | 55 | 17 | 38 | — |
| Restricted other assets | 9 | 9 | — | — |
| Batu Hijau contingent consideration | 23 | — | — | 23 |
| | \$ 3,667 | \$ 3,489 | \$ 155 | \$ 23 |
| Liabilities: | | | | |
| Debt (1) | \$ 4,671 | \$ — | \$ 4,671 | \$ — |
| Foreign exchange forward derivative contracts | 1 | — | 1 | — |
| Holt royalty obligation | 243 | — | — | 243 |
| | \$ 4,915 | \$ — | \$ 4,672 | \$ 243 |

(1) Debt, exclusive of capital leases, is carried at amortized cost. The outstanding carrying value was \$4,044 and \$4,040 at December 31, 2018 and 2017, respectively. The fair value measurement of debt was based on an independent third party pricing source.

The fair values of the derivative instruments in the table above are presented on a net basis. The gross amounts related to the fair value of the derivatives instruments above are included in Note 17. All other fair value disclosures in the above table are presented on a gross basis.

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

The Company's net trade receivables from provisional copper and gold concentrate sales, which contain an embedded derivative and are subject to final pricing, are valued using quoted market prices in the futures market for the particular metal. As the contracts themselves are not traded on an exchange, these receivables are classified within Level 2 of the fair value hierarchy.

The Company's derivative instruments consist of fixed forward contracts and zero-cost collar contracts. Valuation models require a variety of inputs, including contractual terms, market prices, forward curves, measures of volatility, and correlations of such inputs. The Company's derivative contracts are valued based on readily available information, and as such, model inputs can be verified and do not involve significant management judgment. Such instruments are classified within Level 2 of the fair value hierarchy.

The Company's marketable equity securities are valued using quoted market prices in active markets and as such are classified within Level 1 of the fair value hierarchy. The fair value of the marketable equity securities are calculated as the quoted market price of the marketable equity security multiplied by the quantity of shares held by the Company. The Company's marketable equity securities without readily determinable fair values are primarily comprised of warrants in publicly traded companies and are valued using a Black-Scholes model using quoted market prices in active markets of the underlying securities. As the contracts themselves are not traded on the exchange, these equity securities are classified within Level 2 of the fair value hierarchy.

The Company's restricted marketable debt securities are primarily U.S. government issued bonds and international bonds. The Company's South American debt securities are classified within Level 1 of the fair value hierarchy, and they are valued using published market prices of actively traded securities. The Company's North American debt securities are classified within Level 2 of the fair value hierarchy as they are valued using pricing models which are based on prices of similar, actively traded securities.

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The Company's restricted other assets primarily consist of bank issued certificate of deposits that have maturities over 90 days and marketable equity securities. Both are classified within Level 1 of the fair value hierarchy as their fair values are based on quoted prices available in active markets.

The estimated value of the Batu Hijau contingent consideration was determined using (i) a discounted cash flow model, (ii) a Monte Carlo valuation model to simulate future copper prices using the Company's long-term copper price, and (iii) estimated production and/or development dates for Batu Hijau Phase 7 and the Elang projects in Indonesia. The contingent consideration is classified within Level 3 of the fair value hierarchy.

The estimated fair value of the Holt royalty obligation was determined using (i) a discounted cash flow model, (ii) a Monte Carlo valuation model to simulate future gold prices using the Company's long-term gold price, (iii) various gold production scenarios from reserve and resource information and (iv) a weighted average discount rate. The royalty obligation is classified within Level 3 of the fair value hierarchy.

The following tables set forth a summary of the quantitative and qualitative information related to the unobservable inputs used in the calculation of the Company's Level 3 financial assets and liabilities at December 31, 2018 and 2017:

| Description | At December 31, 2018 | Valuation technique | Unobservable input | Range/Weighted average | |
|--|----------------------------|---------------------|---|---------------------------|---|
| Batu Hijau contingent consideration | \$ 26 | Monte Carlo | Discount rate | 16.60 | % |
| | | | Short-term copper price | \$ 2.80 | |
| | | | Long-term copper price | \$ 3.00 | |
| Holt royalty obligation | \$ 161 | Monte Carlo | Discount rate | 4.11 | % |
| | | | Short-term gold price | \$ 1,228 | |
| | | | Long-term gold price | \$ 1,300 | |
| | | | Gold production scenarios (in 000's of ounces) | 302 - 1,544 | |
| Description | At December 31, 2017 | Valuation technique | Unobservable input | Range/Weighted average | |
| Batu Hijau contingent consideration | \$ 23 | Monte Carlo | Discount rate | 17.50 | % |
| | | | Short-term copper price | \$ 3.09 | |
| | | | Long-term copper price | \$ 3.00 | |
| Holt royalty obligation | \$ 243 | Monte Carlo | Discount rate | 3.32 | % |
| | | | Short-term gold price | \$ 1,275 | |
| | | | Long-term gold price | \$ 1,300 | |
| | | | | 402 - 1,779 | |

Gold production scenarios (in
000's of ounces)

The following tables set forth a summary of changes in the fair value of the Company's Level 3 financial assets and liabilities:

| | Asset Backed Commercial Paper (1) | Batu Hijau Contingent Consideration (2) | Total Assets | Holt Royalty Obligation (2) | Total Liabilities |
|---------------------------------|--|--|-----------------|--------------------------------------|----------------------|
| Fair value at December 31, 2016 | \$ 18 | \$ 13 | \$ 31 | \$ 187 | \$ 187 |
| Settlements | (18) | — | (18) | (12) | (12) |
| Revaluation | — | 10 | 10 | 68 | 68 |
| Fair value at December 31, 2017 | \$ — | \$ 23 | \$ 23 | \$ 243 | \$ 243 |
| Settlements | — | — | — | (10) | (10) |
| Revaluation | — | 3 | 3 | (72) | (72) |
| Fair value at December 31, 2018 | \$ — | \$ 26 | \$ 26 | \$ 161 | \$ 161 |

(1) The gain (loss) recognized is included in Other income, net.

(2) The gain (loss) recognized is included in Net income (loss) from discontinued operations.

During the third quarter of 2018, the Company performed a non-recurring fair value measurement (i.e. Level 3 of the fair value hierarchy) in connection with recoverability and impairment tests performed at certain North American exploration properties due to

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the Company's decision to focus on advancing other projects and at Emigrant due to a change in the mine plan that resulted in a decrease in mine life.

The estimated fair value of the North American exploration properties was determined using comparable transactions. The estimated fair value of Emigrant's existing operations was determined using (i) a country specific discount rate of 5.2%, (ii) a short-term gold price of \$1,213 based on the third quarter average of the London PM fix, (iii) a long-term gold price of \$1,300, and (iv) updated cash flow information from the Company's business plan. For further information regarding the impairment charges, see

Note 6.

During the year ended December 31, 2016, the Company performed a non-recurring fair value measurement (i.e. Level 3 of the fair value hierarchy) in connection with recoverability and impairment tests performed as a result of the updated Yanacocha long-term mining and closure plans and related increases in estimated future closure costs. The estimated fair value of Yanacocha's existing operations was determined using (i) a country specific discount rate of 7.1%, (ii) a short-term gold price of \$1,221 based on the fourth quarter average of the London PM fix, (iii) a long-term gold price of \$1,300, and (iv) updated cash flow information from the Company's business plan. The Company utilized an income and market approach for exploration potential. For further information regarding management's assessment of the Yanacocha long-term mining and closure plans and the associated impairment charge, see Note 6.

NOTE 17 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 has and will continue to manage certain risks associated with commodity input costs, interest rates and foreign currencies using the derivative market.

Cash Flow Hedges

The Company uses hedge programs to mitigate the variability of its operating costs primarily related to diesel price fluctuations. Prior to adoption of ASU No. 2017-12, Newmont's hedge portfolio consisted of Nevada diesel swaps and Australian dollar foreign currency forwards. Subsequent to the adoption of this ASU, the Company initiated new diesel hedge programs for all of its Nevada sites in North America, Merian in South America and Boddington, Tanami and Kalgoorlie in Australia.

The following diesel contracts were transacted for risk management purposes and qualify as cash flow hedges. The unrealized changes in market value of hedging instruments have been recorded in Accumulated other comprehensive income (loss) and are reclassified to income during the period in which the hedged transaction affects earnings, or when the hedged transaction becomes probable of not occurring.

The Company had the following diesel derivative contracts at December 31, 2018:

| | Expected Maturity Date | | | Total/ Average |
|---------------------------------|------------------------|-------|-------|-------------------|
| | 2019 | 2020 | 2021 | |
| Diesel Fixed Forward Contracts: | | | | |
| North America | | | | |
| Diesel gallons (millions) | 4 | 5 | 2 | 11 |
| Average rate (\$/gallon) | 1.87 | 2.00 | 2.07 | 1.97 |
| South America | | | | |
| Diesel gallons (millions) | — | 2 | — | 2 |
| Average rate (\$/gallon) | 2.07 | 1.89 | 2.05 | 1.93 |
| Australia | | | | |
| Diesel barrels (thousands) | 18 | 93 | 60 | 171 |
| Average rate (\$/barrel) | 85.96 | 78.86 | 84.76 | 81.68 |

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The hedging instruments run through the third quarter of 2021 in South America and the fourth quarter of 2021 in both North America and Australia.

Derivative Instrument Fair Values

The Company had the following derivative instruments designated as cash flow hedges at December 31, 2018 and 2017:

| Fair Values of Derivative Instruments At December 31, 2018 | | | | |
|---|----------------------------|--------------------------------|---------------------------------|-------------------------------------|
| | Other Current Assets | Other Non-current Assets | Other Current Liabilities | Other Non-current Liabilities |
| Diesel derivatives | \$ — | \$ — | \$ 2 | \$ 3 |

| Fair Values of Derivative Instruments At December 31, 2017 | | | | |
|---|----------------------------|--------------------------------|---------------------------------|-------------------------------------|
| | Other Current Assets | Other Non-current Assets | Other Current Liabilities | Other Non-current Liabilities |
| A\$ operating fixed forwards | \$ — | \$ — | \$ 1 | \$ — |
| Diesel derivatives | 6 | — | — | — |
| | \$ 6 | \$ — | \$ 1 | \$ — |

As of December 31, 2018 and 2017, all hedging instruments held by the Company were subject to enforceable master netting arrangements held with various financial institutions. In general, the terms of the Company's agreements provide for offsetting of amounts payable or receivable between it and the counterparty, at the election of both parties, for transactions that occur on the same date and in the same currency. The Company's agreements also provide that in the event of an early termination, the counterparties have the right to offset amounts owed or owing under that and any other agreement with the same counterparty. The Company's accounting policy is to not offset these positions in its accompanying balance sheets. As of December 31, 2018 and 2017 the potential effect of netting derivative assets against liabilities due to the master netting agreement was not significant.

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The following table shows the effect of cash flow hedge accounting in the Company's Consolidated Statements of Operations.

| | (Gain) Loss Recognized from Cash Flow Hedges | | |
|--|--|----------|----------|
| | Years Ended December 31, | | |
| | 2018 | 2017 | 2016 |
| Total Costs applicable to sales | \$ 4,093 | \$ 4,062 | \$ 3,738 |
| Amount of (gain) loss reclassified from Accumulated other comprehensive income (loss) into income (loss) from foreign currency hedging instruments | \$ 13 | \$ 25 | \$ 37 |
| Amount of (gain) loss reclassified from Accumulated other comprehensive income (loss) into income (loss) from diesel hedging instruments | \$ (7) | \$ 2 | \$ 22 |
| Total Interest expense, net of capitalized interest | \$ 207 | \$ 241 | \$ 273 |
| Amount of (gain) loss reclassified from Accumulated other comprehensive income (loss) into income (loss) from discontinued interest rate hedging instruments | \$ 10 | \$ 10 | \$ 33 |

The following table shows the location and amount of gains (losses) reported in the Company's Consolidated Financial Statements related to the Company's hedges.

| | Foreign Currency Exchange Contracts | | | Diesel Fixed Forward Contracts | | | Interest Rate Contracts | | |
|--|-------------------------------------|--------|--------|--------------------------------|--------|--------|-------------------------|-------|-------|
| | 2018 | 2017 | 2016 | 2018 | 2017 | 2016 | 2018 | 2017 | 2016 |
| For the year ended December 31, Cash flow hedging relationships: | | | | | | | | | |
| (Gain) loss recognized in Other comprehensive income (loss) | \$ — | \$ (5) | \$ (3) | \$ 3 | \$ (3) | \$ (9) | \$ — | \$ — | \$ — |
| (Gain) loss reclassified from Accumulated other comprehensive income (loss) into income (loss) | \$ 13 | \$ 25 | \$ 37 | \$ (7) | \$ 2 | \$ 22 | \$ 10 | \$ 10 | \$ 33 |
| Gain (loss) reclassified from Accumulated other comprehensive income (loss) into income (loss) (ineffective portion) | \$ — | \$ — | \$ — | \$ — | \$ — | \$ (1) | \$ — | \$ — | \$ — |

Over the next 12 months, the Company expects to reclassify from Accumulated other comprehensive income (loss) to income a loss of approximately \$11, net of tax, related to unrealized hedge losses.

Batu Hijau Contingent Consideration

Consideration received by the Company in conjunction with the sale of PTNNT included the Contingent Payment and the Elang Development deferred payment deeds, and are classified as derivatives under ASC 815. See Note 11 for additional information regarding the sale and refer to Note 16 for more information regarding the inputs of the fair value determination. During the years ended December 31, 2018 and 2017, the estimated fair value of these derivatives increased by \$3 and \$10, to \$26 and \$23, respectively. This change, net of tax expense of \$1 and \$4, respectively, was included in Net income (loss) from discontinued operations in the Company's Consolidated Statements of Comprehensive Income (Loss) and is recorded in Other non-current assets in the Company's Consolidated Balance Sheets.

Provisional Gold and Copper Sales

The Company's provisional gold and copper concentrate 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 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.

The impact to Sales from revenue recognized due to changes in the final pricing is a (decrease) increase of \$(9), \$24, and \$18 for the years ended December 31, 2018, 2017, and 2016, respectively.

At December 31, 2018, Newmont had gold and copper sales of 143,000 ounces and 20 million pounds priced at an average of \$1,286 per ounce and \$2.71 per pound, respectively, subject to final pricing over the next several months.

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NOTE 18 INVESTMENTS

| | At December 31, 2018 | | | |
|---|---------------------------------|-----|--|--|
| | Fair Value/ Equity Basis (1) | | | |
| Current: | | | | |
| Marketable equity securities | \$ | 48 | | |
| Non-current: | | | | |
| Marketable equity securities: | | | | |
| Continental Gold Inc. | \$ | 62 | | |
| Warrants | | 13 | | |
| Other marketable equity securities | | 4 | | |
| | | 79 | | |
| Equity method investments: | | | | |
| TMAC Resources Inc. (28.64%) | | 109 | | |
| Maverix Metals Inc. (27.85%) | | 76 | | |
| Minera La Zanja S.R.L. (46.94%) | | 7 | | |
| | | 192 | | |
| | \$ | 271 | | |
| Non-current restricted investments: (2) | | | | |
| Marketable debt securities (3) | \$ | 51 | | |
| Other assets | | 6 | | |
| | \$ | 57 | | |

| | At December 31, 2017 | | | |
|------------------------------------|-----------------------|-------|--------|--|
| | Cost/EquityUnrealized | | | Fair Value/ Equity Basis (1) |
| | Basis | Gain | Loss | |
| Current: | | | | |
| Marketable equity securities | \$ 38 | \$ 32 | \$ (8) | \$ 62 |
| Non-current: | | | | |
| Marketable equity securities: | | | | |
| Continental Gold Inc. | \$ 109 | \$ — | \$ (8) | \$ 101 |
| Warrants | 7 | — | — | 7 |
| Other marketable equity securities | 4 | — | (2) | 2 |
| | 120 | — | (10) | 110 |

| | | | | |
|---|--------|------|---------|--------|
| Other investments | 5 | — | — | 5 |
| Equity method investments: | | | | |
| TMAC Resources Inc. (28.79%) | 115 | — | — | 115 |
| Minera La Zanja S.R.L. (46.94%) | 50 | — | — | 50 |
| | 165 | — | — | 165 |
| | \$ 290 | \$ — | \$ (10) | \$ 280 |
| Non-current restricted investments: (2) | | | | |
| Marketable debt securities | \$ 58 | \$ — | \$ (3) | \$ 55 |
| Other assets | 8 | 1 | — | 9 |
| | \$ 66 | \$ 1 | \$ (3) | \$ 64 |

-
- (1) Subsequent to the adoption of ASU No. 2016-01 on January 1, 2018, unrealized gains and losses related to marketable equity securities are recorded in Other income, net. Previously, gains and losses related to unrealized marketable equity securities were recorded in Other comprehensive income (loss).
- (2) Non-current restricted investments are legally pledged for purposes of settling reclamation and remediation obligations. These amounts are included in Other non-current assets. For further information regarding these amounts see Note 5.

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- (3) There were nominal unrealized gains or losses recorded in Accumulated other comprehensive income (loss) as of December 31, 2018, related to marketable debt securities.

In September 2018, Newmont participated in the TMAC offering acquiring approximately 6 million shares at a price of C\$4.25 per share for \$19, maintaining its approximate 28.6% ownership interest, which is diluted from 2017 due primarily to the exercise of warrants held by other shareholders. In November 2017, Newmont acquired 2 million shares at a price of C\$7.00 per share for \$12, maintaining its 28.79% ownership interest, which is diluted from 2016 due primarily to the exercise of warrants held by other shareholders. At December 31, 2016, Newmont's ownership was diluted to 29.00% due primarily to the exercise of warrants held by other shareholders.

In June 2018, Newmont sold \$11 of restricted marketable debt securities as a result of remediation work completed at the Midnite Mine.

In June 2018, Newmont exchanged certain royalty interests for cash consideration of \$17, received in July 2018, and non-cash consideration comprised of 60 million common shares in Maverix and 10 million common share warrants in Maverix, with fair values upon closing of \$78 and \$5, respectively. Following the transaction, Newmont held a 27.98% equity ownership in Maverix. The Company determined the Maverix investment qualified as an equity method investment.

In August 2017, Newmont sold approximately two-thirds of its interest in Novo Resources Corp. ("Novo") for \$15, resulting in a pre-tax gain of \$5 recorded in Other income, net. Newmont continues to hold approximately 6 million common shares of Novo. The cost of the investment sold was determined using the specific identification method.

In June 2017, Newmont exchanged its 31% interest in the Fort á la Corne joint venture in consideration for 54 million common shares and 1 million common share warrants in Shore Gold, valued at \$15. Following the transaction, Newmont held a 19.9% equity ownership in Shore Gold. This investment has been classified as current.

In May 2017, Newmont purchased 37 million common shares of Continental Gold Inc. ("Continental") at C\$4.00 per share. Continental is developing the high-grade Buriticá gold project in Colombia. Total consideration paid by Newmont was \$109 for a 19.9% equity ownership in Continental.

In April 2017, Newmont purchased 13 million units (one common share and one warrant per unit) of Goldstrike Resources Ltd. ("Goldstrike") at a price of C\$0.47 per share for \$4. The investment secures rights to explore and develop the Plateau property located in a highly prospective mineralized trend in Canada's Yukon Territory with Goldstrike, with the ability to earn additional ownership in the project through exploration investment. This investment has been classified as non-current.

See Note 8 for discussion of investment impairments recognized during 2018. In 2017 and 2016, there were no investment impairments for other-than-temporary declines in value or significant changes in fair value on previously impaired available-for-sale securities.

NOTE 19 INVENTORIES

| | At December 31, | |
|--------------------------------|-----------------|--------|
| | 2018 | 2017 |
| Materials and supplies | \$ 439 | \$ 416 |
| In-process | 104 | 131 |
| Concentrate and copper cathode | 61 | 83 |
| Precious metals | 26 | 49 |
| | \$ 630 | \$ 679 |

In 2018, the Company recorded write-downs of \$14 and \$2, classified as components of Costs applicable to sales and Depreciation and amortization, respectively. Of the write-downs in 2018, \$2 is related to Carlin, \$5 to Phoenix, \$2 to Twin Creeks, \$5 to CC&V and \$2 to Yanacocha.

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In 2017, the Company recorded write-downs of \$14 and \$2, classified as components of Costs applicable to sales and Depreciation and amortization, respectively. Of the write-downs in 2017, \$4 were related to Carlin, \$4 to Phoenix, \$4 to CC&V and \$4 to Yanacocha.

In 2016, the Company recorded write-downs of \$15 and \$3, classified as components of Costs applicable to sales and Depreciation and amortization, respectively. Of the write-downs in 2016, \$2 were related to Carlin, \$12 to Phoenix, \$1 to Twin Creeks and \$3 to Yanacocha.

NOTE 20 STOCKPILES AND ORE ON LEACH PADS

| | At December 31, | |
|-------------------|-----------------|----------|
| | 2018 | 2017 |
| Current: | | |
| Stockpiles | \$ 395 | \$ 330 |
| Ore on leach pads | 302 | 346 |
| | \$ 697 | \$ 676 |
| Non-current: | | |
| Stockpiles | \$ 1,429 | \$ 1,502 |
| Ore on leach pads | 437 | 346 |
| | \$ 1,866 | \$ 1,848 |
| Total: | | |
| Stockpiles | \$ 1,824 | \$ 1,832 |
| Ore on leach pads | 739 | 692 |
| | \$ 2,563 | \$ 2,524 |

| | Stockpiles | | Leach pads | |
|-----------------------------------|-----------------|----------|-----------------|--------|
| | At December 31, | | At December 31, | |
| | 2018 | 2017 | 2018 | 2017 |
| Stockpiles and ore on leach pads: | | | | |
| Carlin | \$ 263 | \$ 236 | \$ 186 | \$ 205 |
| Phoenix | 32 | 35 | 32 | 33 |
| Twin Creeks | 320 | 333 | 25 | 7 |
| Long Canyon | — | — | 45 | 34 |
| CC&V | 23 | 57 | 278 | 257 |
| Yanacocha | 71 | 114 | 173 | 156 |
| Merian | 35 | 25 | — | — |
| Boddington | 458 | 431 | — | — |
| Tanami | 2 | 4 | — | — |
| Kalgoorlie | 121 | 125 | — | — |
| Ahafo | 417 | 409 | — | — |
| Akyem | 82 | 63 | — | — |
| | \$ 1,824 | \$ 1,832 | \$ 739 | \$ 692 |

In 2018, the Company recorded write-downs of \$257 and \$97, classified as components of Costs applicable to sales and Depreciation and amortization, respectively, to reduce the carrying value of stockpiles and ore on leach pads to net realizable value. Of the write-downs in 2018, \$152 were related to Carlin, \$42 to Twin Creeks, \$7 to CC&V, \$51 to Yanacocha, \$46 to Ahafo and \$56 to Akyem.

In 2017, the Company recorded write-downs of \$198 and \$77, classified as components of Costs applicable to sales and Depreciation and amortization, respectively, to reduce the carrying value of stockpiles and ore on leach pads to net realizable value. Of the write-downs in 2017, \$83 were related to Carlin, \$46 to Twin Creeks, \$70 to Yanacocha, \$31 to Ahafo and \$45 to Akyem.

In 2016, the Company recorded write-downs of \$283 and \$131, classified as components of Costs applicable to sales and Depreciation and amortization, respectively, to reduce the carrying value of stockpiles and ore on leach pads to net realizable value. Of the write-downs in 2016, \$105 were related to Carlin, \$22 to Twin Creeks, \$187 to Yanacocha and \$100 to Ahafo.

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NOTE 21 PROPERTY, PLANT AND MINE DEVELOPMENT

| | Depreciable Life | At December 31, 2018 | | | At December 31, 2017 | | |
|--|------------------|----------------------|--------------------------|----------------|----------------------|--------------------------|----------------|
| | (in years) | Cost | Accumulated Depreciation | Net Book Value | Cost | Accumulated Depreciation | Net Book Value |
| Land | | \$ 222 | \$ — | \$ 222 | \$ 222 | \$ — | \$ 222 |
| Facilities and equipment | 1 - 27 | 16,300 | (10,343) | 5,957 | 15,979 | (9,760) | 6,219 |
| Mine development | 1 - 18 | 5,598 | (3,314) | 2,284 | 5,260 | (3,026) | 2,234 |
| Mineral interests | 1 - 22 | 1,876 | (667) | 1,209 | 1,975 | (624) | 1,351 |
| Asset retirement cost | 1 - 22 | 1,143 | (787) | 356 | 1,069 | (729) | 340 |
| Construction-in-progress | | 2,230 | — | 2,230 | 1,972 | — | 1,972 |
| | | \$ 27,369 | \$ (15,111) | \$ 12,258 | \$ 26,477 | \$ (14,139) | \$ 12,338 |
| Leased assets included above in facilities and equipment | 8 - 20 | \$ 27 | \$ (17) | \$ 10 | \$ 27 | \$ (15) | \$ 12 |

| | Depreciable Life | At December 31, 2018 | | | At December 31, 2017 | | |
|-------------------|------------------|----------------------|--------------------------|----------------|----------------------|--------------------------|----------------|
| | (in years) | Cost | Accumulated Depreciation | Net Book Value | Cost | Accumulated Depreciation | Net Book Value |
| Mineral Interests | | | | | | | |
| Production stage | 1 - 22 | \$ 872 | \$ (667) | \$ 205 | \$ 865 | \$ (624) | \$ 241 |
| Development stage | (1) | 59 | — | 59 | 39 | — | 39 |
| Exploration stage | (1) | 945 | — | 945 | 1,071 | — | 1,071 |
| | | \$ 1,876 | \$ (667) | \$ 1,209 | \$ 1,975 | \$ (624) | \$ 1,351 |

(1) These amounts are currently non-depreciable as these mineral interests have not reached production stage.

Construction-in-progress at December 31, 2018 of \$2,230 included \$100 at North America related to construction at Carlin, Twin Creeks and other infrastructure at Nevada, \$1,373 at South America primarily related to engineering and construction at Conga and infrastructure at Yanacocha and Suriname, \$324 at Australia related to infrastructure at Tanami, Boddington, Kalgoorlie and the Tanami Power project and \$426 at Africa related to the Ahafo Mill expansion, Ahafo North project and other infrastructure at Akyem. There have been no costs capitalized during 2018 for the Conga project in South America, reported in Other South America.

Construction-in-progress at December 31, 2017 of \$1,972 included \$121 at North America related to construction at Carlin, CC&V, Long Canyon and other infrastructure at Nevada, \$1,389 at South America primarily related to engineering and construction at Conga and Suriname and infrastructure at Yanacocha, \$139 at Australia related to infrastructure at Tanami, Boddington, and Kalgoorlie and the Tanami Power project and \$316 at Africa related to the Subika underground project and Ahafo Mill expansion and other infrastructure at Akyem. There have been no costs capitalized during 2017 for the Conga project in South America, reported in Other South America.

In July 2018, Newmont purchased a 50% interest in the Galore Creek Partnership (“Galore Creek”) from NovaGold Resources Inc. (“NovaGold”) for \$100 in cash consideration paid on the transaction date; a deferred payment of \$75, payable upon the earlier of three years or the completion of a prefeasibility study; a deferred payment of \$25, payable upon the earlier of five years or the completion of a feasibility study; and a contingent payment of \$75, payable upon the earlier of initiation or approval to construct a mine, mill and all related infrastructure for the Galore Creek project.

The Company accounted for the purchase of Galore Creek as an asset acquisition, as the identifiable assets are primarily concentrated in a single mineral interest. The value of the consideration paid and payable of \$189 was allocated to the acquired assets and assumed liabilities based on their estimated fair values on the acquisition date. At the acquisition date, the Company recorded mineral interests of \$192, other noncurrent assets of \$2, other current liabilities of \$2 and noncurrent reclamation and remediation liabilities of \$3 within the North America segment. Upon becoming probable of payment, the contingent payment of \$75 will be accrued and allocated to the mineral interest. Refer to Note 29 for further details regarding the contingent payment. The Company includes its pro rata share of operations for Galore Creek in the Consolidated Financial Statements.

During 2018, the Company recorded impairments of certain exploration properties and other long-lived assets. See Note 6 for further information.

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NOTE 22 DEBT

| | At December 31, 2018 | | At December 31, 2017 | |
|--|----------------------|-------------|----------------------|-------------|
| | Current | Non-Current | Current | Non-Current |
| 2019 Senior Notes, net | 626 | — | — | 625 |
| 2022 Senior Notes, net | — | 987 | — | 985 |
| 2035 Senior Notes, net | — | 594 | — | 594 |
| 2039 Senior Notes, net | — | 859 | — | 859 |
| 2042 Senior Notes, net | — | 984 | — | 984 |
| Debt issuance costs on Corporate Revolving Credit Facilities | — | (6) | — | (7) |
| | \$ 626 | \$ 3,418 | \$ — | \$ 4,040 |

All outstanding Senior Notes are unsecured and rank equally with one another.

Scheduled minimum debt repayments are \$626 in 2019, \$- in 2020, \$- in 2021, \$992 in 2022, \$- in 2023 and \$2,474 thereafter.

Corporate Revolving Credit Facilities

In May 2011, the Company entered into a \$2,500 revolving credit facility, which was increased to \$3,000 in May 2012. The facility is with a syndicate of financial institutions, provides for borrowings in U.S. dollars and contains a letter of credit-sub facility. Facility fees vary based on the credit ratings of the Company's senior, uncollateralized, non-current debt. Borrowings under the facility bear interest at a market based rate plus a margin determined by the Company's credit rating. During 2017, the credit facility was extended to May 25, 2022. Fees and other debt issuance costs related to the extension of the facility were recorded as a reduction to the carrying value of debt and amortized over the term of the facility. At December 31, 2018, the Company had no borrowings outstanding under the facility. There was \$86 and \$80 outstanding on the sub-facility letters of credit at December 31, 2018 and 2017, respectively.

In September 2013, the Company entered into a Letter of Credit Facility Agreement ("LC Agreement") with BNP Paribas, New York Branch. The LC Agreement established a \$175 letter of credit facility for a three year period to support reclamation obligations. In 2017, the agreement was extended to September 30, 2020. The LC Agreement had a balance of \$172 at December 31, 2018 and 2017.

2017 Convertible Senior Notes

In July 2017, the Company repaid the \$575 outstanding aggregate principal amount of the 2017 Convertible Senior Notes at maturity.

For the years ended December 31, 2018, 2017, and 2016, the Company recorded \$-, \$5, and \$9 of interest expense for the contractual interest coupon and \$-, \$14, and \$24 of amortization of the debt discount, respectively, related to the Convertible Senior Notes.

2019 and 2039 Senior Notes

In September 2009, the Company completed a two part public offering of \$900 and \$1,100 uncollateralized Senior Notes maturing on October 1, 2019 and October 1, 2039, respectively. Net proceeds from the 2019 and 2039 Senior Notes were \$895 and \$1,080, respectively. The 2019 Senior Notes pay interest semi-annually at a rate of 5.125% per annum and the 2039 Senior Notes pay semi-annual interest of 6.25% per annum.

In March 2016, the Company purchased approximately \$274 of its 2019 Senior Notes and \$226 of its 2039 Senior Notes through a debt tender offer. The Company recorded a net pre-tax loss of \$4 in Other income, net as a result of the debt tender offer. Additionally, the Company reclassified \$2 in Interest expense, net from Accumulated other comprehensive income (loss) related to the acceleration of the unrealized gains on the treasury rate lock contracts which were entered into upon issuance of the Senior Notes in 2009.

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Using prevailing interest rates on similar instruments, the estimated fair value of the 2019 and 2039 Senior Notes was \$641 and \$972, respectively, at December 31, 2018 and \$662 and \$1,132, respectively, at December 31, 2017. The foregoing fair value estimates were based on an independent third party pricing source and may or may not reflect the actual trading value of this debt.

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 from the 2022 and 2042 Senior Notes 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 4.88% per annum.

In November 2016, the Company purchased approximately \$508 of its 2022 Senior Notes through a debt tender offer. The Company recorded a net pre-tax loss of \$31 in Other income, net as a result of the debt tender offer. Additionally, the Company recognized a loss of \$20 in Other income, net from Accumulated other comprehensive income (loss) related to the acceleration of the unrealized losses on the forward starting swap contracts which were previously settled with the issuance of the Senior Notes.

Using prevailing interest rates on similar instruments, the estimated fair value of the 2022 and 2042 Senior Notes was \$992 and \$969, respectively, at December 31, 2018 and \$1,021 and \$1,117, respectively, at December 31, 2017. The foregoing fair value estimates were based on an independent third party pricing source and may or may not reflect the actual trading value of this debt.

2035 Senior Notes

In March 2005, Newmont issued uncollateralized Senior Notes with a principal amount of \$600 due April 2035 bearing an annual interest rate of 5.88%. Interest on the notes is paid semi-annually in April and October. Using prevailing interest rates on similar instruments, the estimated fair value of these Senior Notes was \$655 and \$739 at December 31, 2018 and 2017, respectively. The foregoing fair value estimate was based on an independent third party pricing source and may or may not reflect the actual trading value of this debt.

Debt Covenants

The Company's senior notes and revolving credit facility contain various covenants and default provisions including payment defaults, limitation on liens, leases, sales and leaseback agreements and merger restrictions.

The corporate revolving credit facility contains a financial ratio covenant requiring the Company to maintain a net debt (total debt net of cash and cash equivalents) to total capitalization ratio of less than or equal to 62.50% in addition to the covenants noted above. Furthermore, the corporate revolving credit facility contains covenants limiting the sale of all or substantially all of the Company's assets, certain change of control provisions and a negative pledge on certain assets.

At December 31, 2018 and 2017, the Company and its related entities were in compliance with all debt covenants and provisions related to potential defaults.

NOTE 23 LEASE AND OTHER FINANCING OBLIGATIONS

Capital Leases and Other Financing Obligations

Scheduled minimum capital lease and other financing obligations repayments are \$27 in 2019, \$26 in 2020, \$27 in 2021, \$27 in 2022, \$27 in 2023 and \$131 thereafter.

In December 2017, the Company began the early phases of the Tanami Power project which includes the construction of a gas pipeline to the Tanami site, and construction and operation of two on-site power stations under agreements that qualify for build-to-suit lease accounting. As of December 31, 2018 and 2017, the financing obligations under the build-to-suit arrangements were \$210 and \$14, respectively, of which \$24 was classified as current as of December 31, 2018.

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Operating Leases

The Company leases certain assets, such as equipment and facilities, under operating leases expiring at various dates through 2058. Future minimum annual lease payments are \$13 in 2019, \$11 in 2020, \$10 in 2021, \$9 in 2022, \$7 in 2023 and \$60 thereafter, totaling \$110. Rent expense for 2018, 2017 and 2016 was \$51, \$43 and \$43, respectively.

NOTE 24 OTHER LIABILITIES

| | At December 31, 2018 | At December 31, 2017 |
|---|-------------------------|-------------------------|
| Other current liabilities: | | |
| Accrued operating costs | \$ 129 | \$ 124 |
| Reclamation and remediation liabilities | 114 | 103 |
| Royalties | 63 | 63 |
| Accrued capital expenditures | 61 | 77 |
| Accrued interest | 52 | 52 |
| Holt royalty obligation | 12 | 15 |
| Taxes other than income and mining | 8 | 7 |
| Other | 16 | 21 |
| | \$ 455 | \$ 462 |
| Other non-current liabilities: | | |
| Holt royalty obligation | \$ 149 | \$ 228 |
| Galore Creek deferred payments | 89 | — |
| Power supply agreements | 28 | 32 |
| Social development obligations | 18 | 22 |
| Income and mining taxes | 17 | 47 |
| Other | 13 | 13 |
| | \$ 314 | \$ 342 |

NOTE 25 RECLASSIFICATIONS OUT OF ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

| Unrealized Gain | Foreign | Pension and Other | Unrealized Gain (Loss) on |
|-----------------|---------|----------------------|------------------------------|
|-----------------|---------|----------------------|------------------------------|

Explanation of Responses:

| | (Loss) on Marketable Securities, net | Currency Translation Adjustments | Post-retirement Benefit Adjustments | Cash flow Hedge Instruments | Total |
|---|--|--|---|-----------------------------------|----------|
| Balance at December 31, 2016 | \$ (101) | \$ 118 | \$ (223) | \$ (128) | \$ (334) |
| Change in other comprehensive income (loss) before reclassifications | (10) | 12 | (3) | 5 | 4 |
| Reclassifications from accumulated other comprehensive income (loss) | (5) | — | 18 | 25 | 38 |
| Net current-period other comprehensive income (loss) | (15) | 12 | 15 | 30 | 42 |
| Balance at December 31, 2017 | \$ (116) | \$ 130 | \$ (208) | \$ (98) | \$ (292) |
| Cumulative effect adjustment of adopting ASU No. 2016-01 | 115 | — | — | — | 115 |
| Cumulative effect adjustment of adopting ASU No. 2018-02 | — | — | (45) | (51) | (96) |
| Net current-period other comprehensive income (loss): | | | | | |
| Change in other comprehensive income (loss) before reclassifications | 1 | (12) | (29) | (3) | (43) |
| Reclassifications from accumulated other comprehensive income (loss) | — | — | 20 | 12 | 32 |
| Other comprehensive income (loss) | 1 | (12) | (9) | 9 | (11) |
| Balance at December 31, 2018 | \$ — | \$ 118 | \$ (262) | \$ (140) | \$ (284) |

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| Details about Accumulated Other Comprehensive Income (Loss) Components | Amount Reclassified from Accumulated Other Comprehensive Income (Loss) Years Ended December 31, | | | Affected Line Item in the Consolidated Statements of Operations |
|--|---|--------|----------|---|
| | 2018 | 2017 | 2016 | |
| Marketable securities adjustments: | | | | |
| Sale of marketable securities | \$ — | \$ (5) | \$ (103) | Other income, net |
| Total before tax | — | (5) | (103) | |
| Tax | — | — | — | |
| Net of tax | \$ — | \$ (5) | \$ (103) | |
| Pension and other post-retirement benefit adjustments: | | | | |
| | | | 19 | Other income, net |
| Amortization | \$ 25 | \$ 23 | \$ 6 | (1) |
| Settlements | — | 5 | | Other income, net |
| Total before tax | 25 | 28 | 25 | (2) |
| Tax | (5) | (10) | (9) | |
| Net of tax | \$ 20 | \$ 18 | \$ 16 | |
| Hedge instruments adjustments: | | | | |
| Operating cash flow hedges | \$ 6 | \$ 27 | \$ 59 | Costs applicable to sales |
| Operating cash flow hedges (ineffective portion) | — | — | (1) | Other income, net |
| Interest rate contracts | 10 | 10 | 33 | Interest expense, net |
| Total before tax | 16 | 37 | 91 | |
| Tax | (4) | (12) | (30) | |
| Net of tax | \$ 12 | \$ 25 | \$ 61 | |
| Total reclassifications for the period, net of tax | \$ 32 | \$ 38 | \$ (26) | |

(1) In 2018, this accumulated other comprehensive income (loss) component was included in Other income, net as a result of adopting ASU No. 2017-07. Refer to Note 2 for information about the adoption. In 2017 and 2016, this accumulated other comprehensive income (loss) component was included in General and administrative and costs that benefit the inventory/production process. Refer to Note 2 for information on costs that benefit the inventory/production process.

(2) In 2018, this accumulated other comprehensive income (loss) component was included in Other income, net as a result of adopting ASU No. 2017-07. Refer to Note 2 for information about the adoption. In 2017 and 2016, this accumulated other comprehensive income (loss) component was included in Other expense, net.

Placeholder

Explanation of Responses:

NOTE 26 NET CHANGE IN OPERATING ASSETS AND LIABILITIES

Net cash provided by (used in) operating activities of continuing operations attributable to the net change in operating assets and liabilities is composed of the following:

| | Years Ended December 31, | | |
|---|--------------------------|----------|----------|
| | 2018 | 2017 | 2016 |
| Decrease (increase) in operating assets: | | | |
| Trade and other accounts receivables | \$ (109) | \$ 35 | \$ (99) |
| Inventories, stockpiles and ore on leach pads | (250) | (204) | (329) |
| Other assets | (49) | (52) | (83) |
| Increase (decrease) in operating liabilities: | | | |
| Accounts payable and other accrued liabilities | (73) | 10 | 13 |
| Reclamation and remediation liabilities | (72) | (78) | (54) |
| Payment of accreted interest from debt discount (1) | — | (196) | — |
| Accrued tax liabilities | (190) | 93 | 59 |
| | \$ (743) | \$ (392) | \$ (493) |

⁽¹⁾ In July 2017, the Company repaid the \$575 outstanding aggregate principal amount of the 2017 Convertible Senior Notes at maturity. This debt repayment included accreted interest of \$196 from the debt discount at origination that is classified as a cash outflow from operating activities.

Placeholder

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NEWMONT MINING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

NOTE 27 SUPPLEMENTAL CASH FLOW INFORMATION

| | Years Ended December 31, | | |
|--|--------------------------|--------|--------|
| | 2018 | 2017 | 2016 |
| Income and mining taxes paid, net of refunds | \$ 429 | \$ 214 | \$ 85 |
| Interest paid, net of amounts capitalized | \$ 188 | \$ 435 | \$ 276 |

Non-cash Investing Activities

During 2018 and 2017, the Company recorded a non-cash increase to construction-in-progress included as part of Property, plant and mine development, net and a corresponding increase to financing obligations included in Lease and other financing obligations of \$196 and \$14, respectively under build-to-suit arrangements related to the Tanami Power project.

During 2016 the Company entered into an agreement at Boddington waiving certain mining requirements which resulted in a non-cash increase to Other non-current assets of \$22.

Non-cash Financing Activities

Cash calls requested from noncontrolling interests of \$99, \$97 and \$81 for the years ended December 31, 2018, 2017 and 2016, respectively, represent cash calls requested from Staatsolie, of which \$100, \$94 and \$66 had been paid as of December 31, 2018, 2017 and 2016, respectively. Differences are due to timing of receipts.

Distributions declared to noncontrolling interests of \$170 and \$21 for the years ended December 31, 2017 and 2016, respectively, represent distributions declared to Staatsolie from Merian. The Company paid \$178 and \$3 in distributions during the years ended December 31, 2017 and 2016, respectively, related to current and prior period distributions declared. Differences are due to timing of payments.

NOTE 28 CONDENSED CONSOLIDATING FINANCIAL STATEMENTS

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

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NEWMONT MINING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

| Condensed Consolidating Statement of Operation | Year Ended December 31, 2018 | | | | Newmont Mining Corporation |
|--|------------------------------|-------------|-----------------|--------------|----------------------------|
| | (Issuer) | (Guarantor) | (Non-Guarantor) | | |
| | Newmont Mining Corporation | Newmont USA | Subsidiaries | Eliminations | |
| | | | | | Consolidated |
| Sales | \$ — | \$ 1,896 | \$ 5,357 | \$ — | \$ 7,253 |
| Costs and expenses: | | | | | |
| Costs applicable to sales (1) | — | 1,206 | 2,887 | — | 4,093 |
| Depreciation and amortization | 4 | 349 | 862 | — | 1,215 |
| Reclamation and remediation | — | 32 | 131 | — | 163 |
| Exploration | — | 55 | 142 | — | 197 |
| Advanced projects, research and development | — | 34 | 119 | — | 153 |
| General and administrative | — | 82 | 162 | — | 244 |
| Impairment of long-lived assets | — | 336 | 33 | — | 369 |
| Other expense, net | — | 4 | 25 | — | 29 |
| | 4 | 2,098 | 4,361 | — | 6,463 |
| Other income (expense): | | | | | |
| Other income, net | (56) | 40 | 171 | — | 155 |
| Interest income - intercompany | 83 | 51 | 43 | (177) | — |
| Interest expense - intercompany | (6) | — | (171) | 177 | — |
| Interest expense, net | (190) | (7) | (10) | — | (207) |
| | (169) | 84 | 33 | — | (52) |
| Income (loss) before income and mining tax and other items | (173) | (118) | 1,029 | — | 738 |
| Income and mining tax benefit (expense) | 14 | (15) | (385) | — | (386) |
| Equity income (loss) of affiliates | 500 | (228) | (33) | (272) | (33) |
| Net income (loss) from continuing operations | 341 | (361) | 611 | (272) | 319 |
| Net income (loss) from discontinued operations | — | — | 61 | — | 61 |
| Net income (loss) | 341 | (361) | 672 | (272) | 380 |
| Net loss (income) attributable to noncontrolling interests | — | — | (39) | — | (39) |
| Net income (loss) attributable to Newmont stockholders | \$ 341 | \$ (361) | \$ 633 | \$ (272) | \$ 341 |
| Comprehensive income (loss) | \$ 330 | \$ (440) | \$ 779 | \$ (300) | \$ 369 |
| Comprehensive loss (income) attributable to noncontrolling interests | — | — | (39) | — | (39) |
| Comprehensive income (loss) attributable to Newmont stockholders | \$ 330 | \$ (440) | \$ 740 | \$ (300) | \$ 330 |

⁽¹⁾ Excludes Depreciation and amortization and Reclamation and remediation.

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NEWMONT MINING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

| | Year Ended December 31, 2017 | | | | Newmont Mining Corporation |
|---|-------------------------------|------------------------|--------------------------|--------------|----------------------------------|
| | (Issuer) Newmont Mining | (Guarantor) Newmont | (Non-Guarantor) Other | | |
| Condensed Consolidating Statement of Operation | Corporation USA | Subsidiaries | Eliminations | Consolidated | |
| Sales | \$ — | \$ 1,955 | \$ 5,424 | \$ — | \$ 7,379 |
| Costs and expenses: | | | | | |
| Costs applicable to sales (1) | — | 1,209 | 2,853 | — | 4,062 |
| Depreciation and amortization | 4 | 355 | 902 | — | 1,261 |
| Reclamation and remediation | — | 63 | 129 | — | 192 |
| Exploration | — | 43 | 136 | — | 179 |
| Advanced projects, research and development | — | 21 | 122 | — | 143 |
| General and administrative | — | 80 | 157 | — | 237 |
| Impairment of long-lived assets | — | — | 14 | — | 14 |
| Other expense, net | — | 12 | 20 | — | 32 |
| | 4 | 1,783 | 4,333 | — | 6,120 |
| Other income (expense): | | | | | |
| Other income, net | 41 | 6 | 7 | — | 54 |
| Interest income - intercompany | 149 | 43 | 41 | (233) | — |
| Interest expense - intercompany | (39) | (4) | (190) | 233 | — |
| Interest expense, net | (222) | (7) | (12) | — | (241) |
| | (71) | 38 | (154) | — | (187) |
| Income (loss) before income and mining tax and other items | (75) | 210 | 937 | — | 1,072 |
| Income and mining tax benefit (expense) | (34) | (23) | (1,070) | — | (1,127) |
| Equity income (loss) of affiliates | (5) | (108) | (16) | 113 | (16) |
| Net income (loss) from continuing operations | (114) | 79 | (149) | 113 | (71) |
| Net income (loss) from discontinued operations | — | — | (38) | — | (38) |
| Net income (loss) | (114) | 79 | (187) | 113 | (109) |
| Net loss (income) attributable to noncontrolling interests | — | — | (5) | — | (5) |
| Net income (loss) attributable to Newmont stockholders | \$ (114) | \$ 79 | \$ (192) | \$ 113 | \$ (114) |
| Comprehensive income (loss) | \$ (72) | \$ 90 | \$ (198) | \$ 113 | \$ (67) |
| Comprehensive loss (income) attributable to noncontrolling interests | — | — | (5) | — | (5) |
| Comprehensive income (loss) attributable to Newmont stockholders | \$ (72) | \$ 90 | \$ (203) | \$ 113 | \$ (72) |

⁽¹⁾ Excludes Depreciation and amortization and Reclamation and remediation.

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NEWMONT MINING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

| | Year Ended December 31, 2016 | | | | Newmont Mining Corporation |
|--|--|-------------------------------|--|--------------|----------------------------------|
| | (Issuer) Newmont Mining Corporation | (Guarantor) Newmont USA | (Non-Guarantor) Other Subsidiaries | Eliminations | |
| Condensed Consolidating Statement of Operation | | | | | Consolidated |
| Sales | \$ — | \$ 1,951 | \$ 4,729 | \$ — | \$ 6,680 |
| Costs and expenses: | | | | | |
| Costs applicable to sales (1) | — | 1,198 | 2,540 | — | 3,738 |
| Depreciation and amortization | 4 | 333 | 876 | — | 1,213 |
| Reclamation and remediation | — | 14 | 155 | — | 169 |
| Exploration | — | 35 | 113 | — | 148 |
| Advanced projects, research and development | — | 11 | 123 | — | 134 |
| General and administrative | — | 90 | 143 | — | 233 |
| Impairment of long-lived assets | — | 1 | 1,002 | — | 1,003 |
| Other expense, net | — | 30 | 28 | — | 58 |
| | 4 | 1,712 | 4,980 | — | 6,696 |
| Other income (expense): | | | | | |
| Other income, net | (69) | 14 | 124 | — | 69 |
| Interest income - intercompany | 132 | — | 46 | (178) | — |
| Interest expense - intercompany | (45) | — | (133) | 178 | — |
| Interest expense, net | (254) | (6) | (13) | — | (273) |
| | (236) | 8 | 24 | — | (204) |
| Income (loss) before income and mining tax and other items | (240) | 247 | (227) | — | (220) |
| Income and mining tax benefit (expense) | 232 | (62) | (749) | — | (579) |
| Equity income (loss) of affiliates | (621) | (1,342) | 411 | 1,539 | (13) |
| Net income (loss) from continuing operations | (629) | (1,157) | (565) | 1,539 | (812) |
| Net income (loss) from discontinued operations | — | — | (131) | — | (131) |
| Net income (loss) | (629) | (1,157) | (696) | 1,539 | (943) |
| Net loss (income) attributable to noncontrolling interests: | | | | | |
| Continuing operations | — | — | 586 | — | 586 |
| Discontinued operations | — | — | (272) | — | (272) |
| | — | — | 314 | — | 314 |
| Net income (loss) attributable to Newmont stockholders | \$ (629) | \$ (1,157) | \$ (382) | \$ 1,539 | \$ (629) |
| Comprehensive income (loss) | \$ (629) | \$ (1,155) | \$ (698) | \$ 1,539 | \$ (943) |
| | — | — | 314 | — | 314 |

Comprehensive loss (income)
attributable to noncontrolling interests

Comprehensive income (loss)

| | | | | | |
|--------------------------------------|----------|------------|----------|----------|----------|
| attributable to Newmont stockholders | \$ (629) | \$ (1,155) | \$ (384) | \$ 1,539 | \$ (629) |
|--------------------------------------|----------|------------|----------|----------|----------|

⁽¹⁾ Excludes Depreciation and amortization and Reclamation and remediation.

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NEWMONT MINING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

| | Year Ended December 31, 2018 | | | | |
|--|--|-------------------------------|--|--------------|--|
| | (Issuer) Newmont Mining Corporation | (Guarantor) Newmont USA | (Non-Guarantor) Other Subsidiaries | | |
| Condensed Consolidating Statement of Cash Flows | | | | Eliminations | Newmont Mining Corporation Consolidated |
| Operating activities: | | | | | |
| Net cash provided by (used in) operating activities of continuing operations | \$ (147) | \$ 578 | \$ 1,406 | \$ — | \$ 1,837 |
| Net cash provided by (used in) operating activities of discontinued operations | — | — | (10) | — | (10) |
| Net cash provided by (used in) operating activities | (147) | 578 | 1,396 | — | 1,827 |
| Investing activities: | | | | | |
| Additions to property, plant and mine development | — | (274) | (758) | — | (1,032) |
| Acquisitions, net | — | — | (140) | — | (140) |
| Purchases of investments | (6) | — | (33) | — | (39) |
| Proceeds from sales of other assets | — | — | 24 | — | 24 |
| Proceeds from sales of investments | — | 13 | 5 | — | 18 |
| Proceeds from sale of Batu Hijau | — | — | — | — | — |
| Other | — | (1) | (7) | — | (8) |
| Net cash provided by (used in) investing activities of continuing operations | (6) | (262) | (909) | — | (1,177) |
| Net cash provided by (used in) investing activities of discontinued operations | — | — | — | — | — |
| Net cash provided by (used in) investing activities | (6) | (262) | (909) | — | (1,177) |
| Financing activities: | | | | | |
| Dividends paid to common stockholders | (301) | — | — | — | (301) |
| Distributions to noncontrolling interests | — | — | (160) | — | (160) |
| Funding from noncontrolling interests | — | — | 100 | — | 100 |
| Repurchases of common stock | (98) | — | — | — | (98) |
| Proceeds from sale of noncontrolling interests | — | — | 48 | — | 48 |
| Payments for withholding of employee taxes related to stock-based compensation | — | (40) | — | — | (40) |
| Payments on lease and other financing obligations | — | (1) | (3) | — | (4) |
| Repayment of debt | — | — | — | — | — |
| Acquisition of noncontrolling interests | — | — | — | — | — |
| Dividends paid to noncontrolling interests | — | — | — | — | — |
| | 552 | (275) | (277) | — | — |

Explanation of Responses:

| | | | | | |
|--|------|-------|----------|------|----------|
| Net intercompany borrowings (repayments) | | | | | |
| Other | — | — | — | — | — |
| Net cash provided by (used in) financing activities of continuing operations | 153 | (316) | (292) | — | (455) |
| Net cash provided by (used in) financing activities of discontinued operations | — | — | — | — | — |
| Net cash provided by (used in) financing activities | 153 | (316) | (292) | — | (455) |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | — | — | (4) | — | (4) |
| Net change in cash, cash equivalents and restricted cash | — | — | 191 | — | 191 |
| Less net cash provided by (used in) Batu Hijau discontinued operations | — | — | — | — | — |
| | — | — | 191 | — | 191 |
| Cash, cash equivalents and restricted cash at beginning of period | — | — | 3,298 | — | 3,298 |
| Cash, cash equivalents and restricted cash at end of period | \$ — | \$ — | \$ 3,489 | \$ — | \$ 3,489 |
| Reconciliation of cash, cash equivalents and restricted cash: | | | | | |
| Cash and cash equivalents | \$ — | \$ — | \$ 3,397 | \$ — | \$ 3,397 |
| Restricted cash included in Other current assets | — | — | 1 | — | 1 |
| Restricted cash included in Other noncurrent assets | — | — | 91 | — | 91 |
| Total cash, cash equivalents and restricted cash | \$ — | \$ — | \$ 3,489 | \$ — | \$ 3,489 |

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NEWMONT MINING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

| | Year Ended December 31, 2017 | | | | |
|--|--|-------------------------------|--|--------------|--|
| | (Issuer) Newmont Mining Corporation | (Guarantor) Newmont USA | (Non-Guarantor) Other Subsidiaries | | |
| Condensed Consolidating Statement of Cash Flows | | | | Eliminations | Newmont Mining Corporation Consolidated |
| Operating activities: | | | | | |
| Net cash provided by (used in) operating activities of continuing operations | \$ (325) | \$ (207) | \$ 2,671 | \$ — | \$ 2,139 |
| Net cash provided by (used in) operating activities of discontinued operations | — | — | (15) | — | (15) |
| Net cash provided by (used in) operating activities | (325) | (207) | 2,656 | — | 2,124 |
| Investing activities: | | | | | |
| Additions to property, plant and mine development | — | (253) | (613) | — | (866) |
| Acquisitions, net | — | — | — | — | — |
| Purchases of investments | (114) | — | (16) | — | (130) |
| Proceeds from sales of other assets | — | — | 5 | — | 5 |
| Proceeds from sales of investments | — | — | 35 | — | 35 |
| Proceeds from sale of Batu Hijau | — | — | — | — | — |
| Other | — | 2 | 8 | — | 10 |
| Net cash provided by (used in) investing activities of continuing operations | (114) | (251) | (581) | — | (946) |
| Net cash provided by (used in) investing activities of discontinued operations | — | — | — | — | — |
| Net cash provided by (used in) investing activities | (114) | (251) | (581) | — | (946) |
| Financing activities: | | | | | |
| Dividends paid to common stockholders | (134) | — | — | — | (134) |
| Distributions to noncontrolling interests | — | — | (178) | — | (178) |
| Funding from noncontrolling interests | — | — | 94 | — | 94 |
| Repurchases of common stock | — | — | — | — | — |
| Proceeds from sale of noncontrolling interests | — | — | — | — | — |
| Payments for withholding of employee taxes related to stock-based compensation | — | (14) | — | — | (14) |
| Payments on lease and other financing obligations | — | (3) | (2) | — | (5) |
| Repayment of debt | (379) | — | — | — | (379) |
| Acquisition of noncontrolling interests | — | — | (48) | — | (48) |
| Dividends paid to noncontrolling interests | — | — | — | — | — |
| | 955 | 473 | (1,428) | — | — |

| | | | | | |
|--|------|------|----------|------|----------|
| Net intercompany borrowings (repayments) | | | | | |
| Other | (3) | 1 | (2) | — | (4) |
| Net cash provided by (used in) financing activities of continuing operations | 439 | 457 | (1,564) | — | (668) |
| Net cash provided by (used in) financing activities of discontinued operations | — | — | — | — | — |
| Net cash provided by (used in) financing activities | 439 | 457 | (1,564) | — | (668) |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | — | — | 6 | — | 6 |
| Net change in cash, cash equivalents and restricted cash | — | (1) | 517 | — | 516 |
| Less net cash provided by (used in) Batu Hijau discontinued operations | — | — | — | — | — |
| | — | (1) | 517 | — | 516 |
| Cash, cash equivalents and restricted cash at beginning of period | — | 1 | 2,781 | — | 2,782 |
| Cash, cash equivalents and restricted cash at end of period | \$ — | \$ — | \$ 3,298 | \$ — | \$ 3,298 |
| Reconciliation of cash, cash equivalents and restricted cash: | | | | | |
| Cash and cash equivalents | \$ — | \$ — | \$ 3,259 | \$ — | \$ 3,259 |
| Restricted cash included in Other current assets | — | — | 1 | — | 1 |
| Restricted cash included in Other noncurrent assets | — | — | 38 | — | 38 |
| Total cash, cash equivalents and restricted cash | \$ — | \$ — | \$ 3,298 | \$ — | \$ 3,298 |

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NEWMONT MINING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

| | Year Ended December 31, 2016 | | | | Newmont Mining Corporation |
|--|--|-------------------------------|--|--------------|----------------------------------|
| | (Issuer) Newmont Mining Corporation | (Guarantor) Newmont USA | (Non-Guarantor) Other Subsidiaries | Eliminations | |
| Condensed Consolidating Statement of Cash Flows | | | | | Consolidated |
| Operating activities: | | | | | |
| Net cash provided by (used in) operating activities of continuing operations | \$ 2,240 | \$ 1,342 | \$ 117 | \$ (1,782) | \$ 1,917 |
| Net cash provided by (used in) operating activities of discontinued operations | — | — | 869 | — | 869 |
| Net cash provided by (used in) operating activities | 2,240 | 1,342 | 986 | (1,782) | 2,786 |
| Investing activities: | | | | | |
| Additions to property, plant and mine development | — | (261) | (872) | — | (1,133) |
| Acquisitions, net | — | — | — | — | — |
| Purchases of investments | — | — | (15) | — | (15) |
| Proceeds from sales of other assets | — | — | 9 | — | 9 |
| Proceeds from sales of investments | — | 8 | 187 | — | 195 |
| Proceeds from sale of Batu Hijau | — | — | 920 | — | 920 |
| Other | — | — | (4) | — | (4) |
| Net cash provided by (used in) investing activities of continuing operations | — | (253) | 225 | — | (28) |
| Net cash provided by (used in) investing activities of discontinued operations | — | — | (46) | — | (46) |
| Net cash provided by (used in) investing activities | — | (253) | 179 | — | (74) |
| Financing activities: | | | | | |
| Dividends paid to common stockholders | (67) | (1,512) | (270) | 1,782 | (67) |
| Distributions of noncontrolling interests | — | — | (3) | — | (3) |
| Funding from noncontrolling interests | — | — | 66 | — | 66 |
| Repurchases of common stock | — | — | — | — | — |
| Proceeds from sale of noncontrolling interests | — | — | — | — | — |
| | — | (5) | — | — | (5) |

Explanation of Responses:

| | | | | | |
|--|---------|---------|----------|-------|----------|
| Payments for withholding of employee taxes related to stock-based compensation | | | | | |
| Payments on lease and other financing obligations | — | (3) | (2) | — | (5) |
| Repayment of debt | (1,307) | — | — | — | (1,307) |
| Acquisition of noncontrolling interests | — | — | (19) | — | (19) |
| Dividends paid to noncontrolling interests | — | — | (146) | — | (146) |
| Net intercompany borrowings (repayments) | (866) | (748) | 1,614 | — | — |
| Other | — | (1) | 1 | — | — |
| Net cash provided by (used in) financing activities of continuing operations | (2,240) | (2,269) | 1,241 | 1,782 | (1,486) |
| Net cash provided by (used in) financing activities of discontinued operations | — | — | (331) | — | (331) |
| Net cash provided by (used in) financing activities | (2,240) | (2,269) | 910 | 1,782 | (1,817) |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | — | — | 2 | — | 2 |
| Net change in cash, cash equivalents and restricted cash | — | (1,180) | 2,077 | — | 897 |
| Less net cash provided by (used in) Batu Hijau discontinued operations | — | — | 503 | — | 503 |
| | — | (1,180) | 1,574 | — | 394 |
| Cash, cash equivalents and restricted cash at beginning of period | — | 1,181 | 1,207 | — | 2,388 |
| Cash, cash equivalents and restricted cash at end of period | \$ — | \$ 1 | \$ 2,781 | \$ — | \$ 2,782 |
| Reconciliation of cash, cash equivalents and restricted cash: | | | | | |
| Cash and cash equivalents | \$ — | \$ 1 | \$ 2,755 | \$ — | \$ 2,756 |
| Restricted cash included in Other current assets | — | — | 1 | — | 1 |
| Restricted cash included in Other noncurrent assets | — | — | 25 | — | 25 |
| Total cash, cash equivalents and restricted cash | \$ — | \$ 1 | \$ 2,781 | \$ — | \$ 2,782 |

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NEWMONT MINING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

| | At December 31, 2018 | | | | Newmont Mining Corporation |
|---|--|-------------------------------|--|--------------|----------------------------------|
| | (Issuer) Newmont Mining Corporation | (Guarantor) Newmont USA | (Non-Guarantor) Other Subsidiaries | Eliminations | |
| Condensed Consolidating Balance Sheet | | | | | Consolidated |
| Assets: | | | | | |
| Cash and cash equivalents | \$ — | \$ — | \$ 3,397 | \$ — | \$ 3,397 |
| Trade receivables | — | 63 | 191 | — | 254 |
| Other accounts receivables | — | 1 | 91 | — | 92 |
| Intercompany receivable | 6,351 | 5,027 | 8,296 | (19,674) | — |
| Investments | — | — | 48 | — | 48 |
| Inventories | — | 180 | 450 | — | 630 |
| Stockpiles and ore on leach pads | — | 195 | 502 | — | 697 |
| Other current assets | — | 29 | 130 | — | 159 |
| Current assets | 6,351 | 5,495 | 13,105 | (19,674) | 5,277 |
| Property, plant and mine development, net | 14 | 2,680 | 9,593 | (29) | 12,258 |
| Investments | 62 | 4 | 205 | — | 271 |
| Investments in subsidiaries | 13,083 | — | 3 | (13,086) | — |
| Stockpiles and ore on leach pads | — | 658 | 1,208 | — | 1,866 |
| Deferred income tax assets | — | — | 401 | — | 401 |
| Non-current intercompany receivable | 653 | 704 | 6 | (1,363) | — |
| Other non-current assets | — | 271 | 371 | — | 642 |
| Total assets | \$ 20,163 | \$ 9,812 | \$ 24,892 | \$ (34,152) | \$ 20,715 |
| Liabilities: | | | | | |
| Debt | \$ 626 | \$ — | \$ — | \$ — | \$ 626 |
| Accounts payable | — | 83 | 220 | — | 303 |
| Intercompany payable | 5,554 | 2,741 | 11,379 | (19,674) | — |
| Employee-related benefits | — | 138 | 167 | — | 305 |
| Income and mining taxes | — | 19 | 52 | — | 71 |
| Lease and other financing obligations | — | 1 | 26 | — | 27 |
| Other current liabilities | 52 | 135 | 268 | — | 455 |
| Current liabilities | 6,232 | 3,117 | 12,112 | (19,674) | 1,787 |
| Debt | 3,418 | — | — | — | 3,418 |
| Reclamation and remediation liabilities | — | 325 | 2,156 | — | 2,481 |
| Deferred income tax liabilities | — | 90 | 522 | — | 612 |
| Employee-related benefits | 3 | 236 | 162 | — | 401 |
| Lease and other financing obligations | — | 3 | 187 | — | 190 |

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| | | | | | |
|---|-----------|----------|-----------|-------------|-----------|
| Non-current intercompany payable | 7 | — | 1,385 | (1,392) | — |
| Other non-current liabilities | 1 | 637 | 298 | (622) | 314 |
| Total liabilities | 9,661 | 4,408 | 16,822 | (21,688) | 9,203 |
| Contingently redeemable noncontrolling interest | — | — | 47 | — | 47 |
| Equity: | | | | | |
| Newmont stockholders' equity | 10,502 | 5,404 | 7,060 | (12,464) | 10,502 |
| Noncontrolling interests | — | — | 963 | — | 963 |
| Total equity | 10,502 | 5,404 | 8,023 | (12,464) | 11,465 |
| Total liabilities and equity | \$ 20,163 | \$ 9,812 | \$ 24,892 | \$ (34,152) | \$ 20,715 |

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NEWMONT MINING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

| | At December 31, 2017 | | | | |
|---|----------------------|-------------|-----------------|--------------|--------------|
| | (Issuer) | (Guarantor) | (Non-Guarantor) | | Newmont |
| | Newmont | Newmont | Other | | Mining |
| | Mining | | | | Corporation |
| Condensed Consolidating Balance Sheet | Corporation | USA | Subsidiaries | Eliminations | Consolidated |
| Assets: | | | | | |
| Cash and cash equivalents | \$ — | \$ — | \$ 3,259 | \$ — | \$ 3,259 |
| Trade receivables | — | 18 | 106 | — | 124 |
| Other accounts receivables | — | — | 113 | — | 113 |
| Intercompany receivable | 2,053 | 4,601 | 3,484 | (10,138) | — |
| Investments | — | — | 62 | — | 62 |
| Inventories | — | 181 | 498 | — | 679 |
| Stockpiles and ore on leach pads | — | 196 | 480 | — | 676 |
| Other current assets | — | 38 | 115 | — | 153 |
| Current assets | 2,053 | 5,034 | 8,117 | (10,138) | 5,066 |
| Property, plant and mine development, net | 17 | 3,082 | 9,266 | (27) | 12,338 |
| Investments | 106 | 4 | 170 | — | 280 |
| Investments in subsidiaries | 12,012 | — | — | (12,012) | — |
| Stockpiles and ore on leach pads | — | 648 | 1,200 | — | 1,848 |
| Deferred income tax assets | 84 | 5 | 460 | — | 549 |
| Non-current intercompany receivable | 1,700 | 401 | 7 | (2,108) | — |
| Other non-current assets | — | 255 | 310 | — | 565 |
| Total assets | \$ 15,972 | \$ 9,429 | \$ 19,530 | \$ (24,285) | \$ 20,646 |
| Liabilities: | | | | | |
| Accounts payable | \$ — | \$ 83 | \$ 292 | \$ — | \$ 375 |
| Intercompany payable | 1,338 | 2,145 | 6,655 | (10,138) | — |
| Employee-related benefits | — | 143 | 166 | — | 309 |
| Income and mining taxes | — | 18 | 230 | — | 248 |
| Lease and other financing obligations | — | 1 | 3 | — | 4 |
| Other current liabilities | 52 | 163 | 247 | — | 462 |
| Current liabilities | 1,390 | 2,553 | 7,593 | (10,138) | 1,398 |
| Debt | 4,040 | — | — | — | 4,040 |
| Reclamation and remediation liabilities | — | 309 | 2,036 | — | 2,345 |
| Deferred income tax liabilities | — | 121 | 474 | — | 595 |
| Employee-related benefits | — | 222 | 164 | — | 386 |
| Lease and other financing obligations | — | 4 | 17 | — | 21 |
| Non-current intercompany payable | 7 | — | 2,128 | (2,135) | — |

| | | | | | |
|---|-----------|----------|-----------|-------------|-----------|
| Other non-current liabilities | — | 329 | 324 | (311) | 342 |
| Total liabilities | 5,437 | 3,538 | 12,736 | (12,584) | 9,127 |
| Contingently redeemable noncontrolling interest | — | — | — | — | — |
| Equity: | | | | | |
| Newmont stockholders' equity | 10,535 | 5,891 | 5,810 | (11,701) | 10,535 |
| Noncontrolling interests | — | — | 984 | — | 984 |
| Total equity | 10,535 | 5,891 | 6,794 | (11,701) | 11,519 |
| Total liabilities and equity | \$ 15,972 | \$ 9,429 | \$ 19,530 | \$ (24,285) | \$ 20,646 |

NOTE 29 COMMITMENTS AND CONTINGENCIES

General

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.

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NEWMONT MINING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Operating Segments

The Company's operating and reportable segments are identified in Note 3. Except as noted in this paragraph, all of the Company's commitments and contingencies specifically described herein are included in Corporate and Other in Note 3. The Yanacocha matters relate to the South America reportable segment. The Fronteer matters relate to the North America reportable segment.

Environmental Matters

In early 2015, the Peruvian government agency responsible for certain environmental regulations, the Ministry of the Environment ("MINAM"), issued proposed water quality criteria for designated beneficial uses which apply to mining companies, including Yanacocha. These criteria would modify the in-stream water quality criteria pursuant to which Yanacocha has been designing water treatment processes and infrastructure. In December 2015, MINAM issued the final regulation that modified the water quality standards. In response, in February 2017, Yanacocha submitted its proposed modification to the previously approved Environmental Impact Assessment to the Mining Ministry ("MINEM"), which is still under review. After approval, MINEM may allow up to three years to develop and implement the modifications to the water management system. In the event Yanacocha is unsuccessful in implementing the modifications in compliance with the new regulations and deadlines, it could result in fines and penalties relating to potential intermittent non-compliant exceedances. In addition, if accepted the treatment options will result in increased costs. These impacts may adversely impact the future cost and financial performance of our operations in Peru.

Refer to Note 5 for further information regarding reclamation and remediation. Details about certain of the more significant matters are discussed below.

Newmont USA Limited - 100% Newmont Owned

Ross-Adams mine site. By letter dated June 5, 2007, the U.S. Forest Service ("USFS") 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 agreed to perform the EE/CA pursuant to the requirements of an Administrative Settlement Agreement and Order on Consent ("ASAOC") between the USFS and Newmont. The EE/CA was provided to the USFS in April 2015. During the first quarter of 2016, the USFS confirmed approval of the EE/CA, and Newmont issued written notice to the USFS certifying that all requirements of the ASAOC had been completed. During the third quarter of 2016, Newmont received a notice of completion of work per the ASAOC from the USFS, which finalized the ASAOC. The USFS issued an Action Memorandum in April 2018 to select the preferred Removal Action alternative identified in the EE/CA. Newmont is continuing to negotiate the terms of a future agreement with the USFS for Newmont to implement the approved Removal Action. No assurances can be made at this time with respect to the outcome of such negotiations and Newmont cannot predict the likelihood of additional expenditures related to this matter.

Dawn Mining Company LLC ("Dawn") - 51% Newmont Owned

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

Environmental Protection Agency (“EPA”).

As per the Consent Decree approved by the U.S. District Court for the Eastern District of Washington on January 17, 2012, the following actions were required of Newmont, Dawn, the Department of the Interior and the EPA: (i) Newmont and Dawn would design, construct and implement the cleanup plan selected by the EPA in 2006 for the Midnite mine site; (ii) Newmont and Dawn would reimburse the EPA for its costs associated with overseeing the work; (iii) the Department of the Interior would contribute a lump sum amount toward past EPA costs and future costs related to the cleanup of the Midnite mine site; (iv) Newmont and Dawn would be responsible for all other EPA oversight costs and Midnite mine site cleanup costs; and (v) Newmont would post a surety bond for work at the site.

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NEWMONT MINING CORPORATION

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

During 2012, the Department of Interior contributed its share of past EPA costs and future costs related to the cleanup of the Midnite mine site in a lump sum payment of \$42, which Newmont classified as restricted assets with interest on the Condensed Consolidated Balance Sheets for all periods presented. In 2016, Newmont completed the remedial design process (with the exception of the new water treatment plant (“WTP”) design, which was completed in December 2018 and submitted to EPA for final review and approval). Approval of the new National Pollutant Discharge Elimination System (“NPDES”) permit was received in 2017 allowing the subsequent WTP design to be completed. Newmont is managing the remediation project to implement Phase 1 remedial actions with a focus on backfilling Pit 4. In June 2018, \$11 was released from the trust account for remedial work completed. Newmont will continue to manage the remediation project through the 2019 construction season.

The Dawn mill site is regulated by the Washington Department of Health and is in the process of being closed. Remediation at the Dawn mill site began in 2013. The Tailing Disposal Area 1-4 reclamation earthworks component was completed during 2017 with the embankment erosion protection completed in the second quarter of 2018. The remaining closure activity will consist primarily of addressing groundwater issues.

The remediation liability for the Midnite mine site and Dawn mill site is approximately \$150 at December 31, 2018.

Other Legal Matters

Minera Yanacocha S.R.L. – 51.35% Newmont Owned

Administrative Actions. The Peruvian government agency responsible for environmental evaluation and inspection, Organismo Evaluacion y Fiscalizacion Ambiental (“OEFA”), conducts periodic reviews of the Yanacocha site. In 2011, 2012, 2013, 2015, 2016, 2017 and 2018, OEFA issued notices of alleged violations of OEFA standards to Yanacocha and Conga relating to past inspections. OEFA has resolved some alleged violations with minimal or no findings. In 2015 and 2016, the water authority of Cajamarca issued notices of alleged regulatory violations, and resolved some allegations in 2018 with no findings. The experience with OEFA and the water authority is that in the case of a finding of violation, remedial action is often the outcome rather than a significant fine. The alleged OEFA violations currently range from zero to 40,300 units and the water authority alleged violations range from zero to 10 units, with each unit having a potential fine equivalent to approximately \$.001260 based on current exchange rates (\$0 to \$50). Yanacocha and Conga are responding to all notices of alleged violations, but cannot reasonably predict the outcome of the agency allegations.

Conga Project Constitutional Claim. On October 18, 2012, Marco Antonio Arana Zegarra filed a constitutional claim against the Ministry of Energy and Mines and Yanacocha requesting the Court to order the suspension of the Conga project as well as to declare not applicable the October 27, 2010, directorial resolution approving the Conga project Environmental Impact Assessment (“EIA”). On October 23, 2012, a Cajamarca judge dismissed the claims based on formal grounds finding that: (i) plaintiffs had not exhausted previous administrative proceedings; (ii) the directorial resolution approving the Conga EIA is valid, and was not challenged when issued in the administrative proceedings; (iii) there was inadequate evidence to conclude that the Conga project is a threat to the constitutional right of living in an adequate environment and; (iv) the directorial resolution approving the Conga project EIA does not guarantee that the Conga project will proceed, so there was no imminent threat to be addressed by the Court. The plaintiffs appealed the dismissal of the case. The Civil Court of the Superior Court of Cajamarca confirmed the above mentioned resolution and the plaintiff presented an appeal. On March 13, 2015, the Constitutional Court published its ruling stating that the case should be sent back to the first court with an order to formally admit the case and start the judicial

process in order to review the claim and the proofs presented by the plaintiff. Yanacocha has answered the claim. Neither the Company nor Yanacocha can reasonably predict the outcome of this litigation.

Yanacocha Tax Dispute. In 2000, Yanacocha paid Buenaventura and Minas Conga S.R.L. a total of \$29 to assume their respective contractual positions in mining concession agreements with Chaupiloma Dos de Cajamarca S.M.R.L. The contractual rights allowed Yanacocha the opportunity to conduct exploration on the concessions, but not a purchase of the concessions. The tax authority alleges that the payments to Buenaventura and Minas Conga S.R.L. were acquisitions of mining concessions requiring the amortization of the amounts under the Peru Mining Law over the life of the mine. Yanacocha expensed the amounts at issue in the initial year since the payments were not for the acquisition of a concession but rather these expenses represent the payment of an intangible and therefore, amortizable in a single year or proportionally for up to ten years according to Income Tax Law. In 2010, the tax court in Peru ruled in favor of Yanacocha and the tax authority appealed the issue to the judiciary. The first appellate court

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

confirmed the ruling of the tax court in favor of Yanacocha. However, in November, 2015, a Superior Court in Peru made an appellate decision overturning the two prior findings in favor of Yanacocha. Yanacocha has appealed the Superior Court ruling to the Peru Supreme Court. On January 18, 2019, the Peru Supreme Court issued notice that three judges support the position of the tax authority and two judges support the position of Yanacocha. Because four votes are required for a final decision, an additional judge has been selected to issue a decision. The matter is set for oral argument in April 2019. The potential liability in this matter is in the form of fines and interest in an amount up to \$83. It is not possible to fully predict the outcome of this litigation.

NWG Investments Inc. v. Fronteer Gold Inc.

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

Fronteer acquired NewWest Gold Corporation ("NewWest Gold") in September 2007. At the time of that acquisition, NWG Investments Inc. ("NWG") owned approximately 86% of NewWest Gold and an individual named Jacob Safra owned or controlled 100% of NWG. Prior to its acquisition of NewWest Gold, Fronteer entered into a June 2007 lock-up agreement with NWG providing that, among other things, NWG would support Fronteer's acquisition of NewWest Gold. At that time, Fronteer owned approximately 47% 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, among other things, that Aurora would commence uranium mining in Labrador by 2013, that this was a firm date, that Aurora faced no current environmental issues in Labrador and that Aurora's competitors faced delays in commencing uranium mining. NWG further contends that it entered into the lock-up agreement and agreed to support Fronteer's acquisition of NewWest Gold in reliance upon these purported representations. On October 11, 2007, less than three weeks after the Fronteer-NewWest Gold transaction closed, a member of the Nunatsiavut Assembly introduced a motion calling for the adoption of a moratorium on uranium mining in Labrador. On April 8, 2008, the Nunatsiavut Assembly adopted a three-year moratorium on uranium mining in Labrador. NWG contends that Fronteer was aware during the negotiations of the NWG/Fronteer lock-up agreement that the Nunatsiavut Assembly planned on adopting this moratorium and that its adoption would preclude Aurora from commencing uranium mining by 2013, but Fronteer nonetheless fraudulently induced NWG to enter into the lock-up agreement.

On September 24, 2012, NWG served a summons and complaint on the Company, and then amended the complaint to add Newmont Canada Holdings ULC as a defendant. The complaint also named Fronteer Gold Inc. and Mark O'Dea as defendants. The complaint sought rescission of the merger between Fronteer and NewWest Gold and \$750 in damages. In August 2013 the Supreme Court of New York, New York County issued an order granting the defendants' motion to dismiss on forum non conveniens. Subsequently, NWG filed a notice of appeal of the decision and then a notice of dismissal of the appeal on March 24, 2014.

On February 26, 2014, NWG filed a lawsuit in Ontario Superior Court of Justice against Fronteer Gold Inc., Newmont Mining Corporation, Newmont Canada Holdings ULC, Newmont FH B.V. and Mark O'Dea. The Ontario complaint is based upon substantially the same allegations contained in the New York lawsuit with claims for fraudulent and negligent misrepresentation. NWG seeks disgorgement of profits since the close of the NWG deal on September 24, 2007 and damages in the amount of C\$1.2 billion. Newmont, along with other defendants, served the plaintiff with its statement of defense on October 17, 2014. Newmont intends to vigorously defend this matter, but cannot reasonably predict the outcome

Other Commitments and Contingencies

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 remediation, reclamation, exploration permitting, workers compensation programs and other general corporate purposes. At December 31, 2018 and 2017, there were \$2,514 and \$2,321, respectively, of outstanding letters of credit, surety bonds and bank guarantees. 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.

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NEWMONT MINING CORPORATION

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

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.

In connection with our investment in Galore Creek, Newmont will owe NovaGold Resources Inc. \$75 upon the earlier of approval to construct a mine, mill and all related infrastructure for the Galore Creek project or the initiation of construction of a mine, mill or any related infrastructure. The amount due is non-interest bearing. The decision for an approval and commencement of construction is contingent on the results of a prefeasibility and feasibility study, neither of which have occurred. As such, this amount has not been accrued.

NOTE 30 UNAUDITED SUPPLEMENTARY DATA

Quarterly Data

The following is a summary of selected quarterly financial information (unaudited):

| | 2018 | | | |
|--|--------------------|----------|--------------|-------------|
| | Three Months Ended | | | |
| | March 31 | June 30 | September 30 | December 31 |
| Sales | \$ 1,817 | \$ 1,662 | \$ 1,726 | \$ 2,048 |
| Gross profit (1) | \$ 459 | \$ 381 | \$ 401 | \$ 541 |
| Income (loss) from continuing operations (2) | \$ 170 | \$ 274 | \$ (161) | \$ (3) |
| Income (loss) from discontinued operations (2) | 22 | 18 | 16 | 5 |
| Net income (loss) attributable to Newmont stockholders | \$ 192 | \$ 292 | \$ (145) | \$ 2 |
| Income (loss) per common share | | | | |
| Basic: | | | | |
| Continuing operations | \$ 0.32 | \$ 0.52 | \$ (0.31) | \$ — |
| Discontinued operations | 0.04 | 0.03 | 0.04 | — |
| | \$ 0.36 | \$ 0.55 | \$ (0.27) | \$ — |
| Diluted: | | | | |
| Continuing operations | \$ 0.32 | \$ 0.51 | \$ (0.31) | \$ — |
| Discontinued operations | 0.04 | 0.03 | 0.04 | — |
| | \$ 0.36 | \$ 0.54 | \$ (0.27) | \$ — |
| Weighted average common shares (millions) | | | | |
| Basic | 534 | 533 | 533 | 533 |
| Diluted | 535 | 535 | 535 | 535 |
| Cash dividends declared per common share | \$ 0.140 | \$ 0.140 | \$ 0.140 | \$ 0.140 |
| Closing price of common stock | \$ 39.07 | \$ 37.71 | \$ 30.20 | \$ 34.65 |

Explanation of Responses:

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NEWMONT MINING CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

| | 2017 | | | |
|--|--------------------|----------|--------------|-------------|
| | Three Months Ended | | | |
| | March 31 | June 30 | September 30 | December 31 |
| Sales | \$ 1,690 | \$ 1,875 | \$ 1,879 | \$ 1,935 |
| Gross profit (1) | \$ 404 | \$ 523 | \$ 472 | \$ 465 |
| Income (loss) from continuing operations (2) | \$ 70 | \$ 190 | \$ 213 | \$ (549) |
| Income (loss) from discontinued operations (2) | (23) | (15) | (7) | 7 |
| Net income (loss) attributable to Newmont stockholders | \$ 47 | \$ 175 | \$ 206 | \$ (542) |
| Income (loss) per common share | | | | |
| Basic: | | | | |
| Continuing operations | \$ 0.13 | \$ 0.36 | \$ 0.39 | \$ (1.02) |
| Discontinued operations | (0.04) | (0.03) | (0.01) | 0.01 |
| | \$ 0.09 | \$ 0.33 | \$ 0.38 | \$ (1.01) |
| Diluted: | | | | |
| Continuing operations | \$ 0.13 | \$ 0.36 | \$ 0.39 | \$ (1.02) |
| Discontinued operations | (0.04) | (0.03) | (0.01) | 0.01 |
| | \$ 0.09 | \$ 0.33 | \$ 0.38 | \$ (1.01) |
| Weighted average common shares (millions) | | | | |
| Basic | 532 | 533 | 533 | 533 |
| Diluted | 533 | 535 | 536 | 536 |
| Cash dividends declared per common share | \$ 0.050 | \$ 0.050 | \$ 0.075 | \$ 0.075 |
| Closing price of common stock | \$ 32.96 | \$ 32.39 | \$ 37.51 | \$ 37.52 |

(1) Sales less Costs applicable to sales, Depreciation and amortization and Reclamation and remediation.

(2) Attributable to Newmont stockholders.

NOTE 31 SUBSEQUENT EVENT

On January 14, 2019, the Company entered into a definitive agreement (as amended by the first amendment to the arrangement agreement, dated as of February 19, 2019, the "Arrangement Agreement") to acquire all outstanding common shares of Goldcorp, Inc. ("Goldcorp") in a primarily stock transaction (the "Proposed Transaction"). Under the terms of the agreement, Goldcorp shareholders will receive 0.3280 shares of Newmont's common stock and \$0.02 in cash for each Goldcorp common share they own, for a total transaction value of approximately \$10 billion as of the announcement date on January 14, 2019. The transaction, which is subject to approval by both Newmont and Goldcorp shareholders, and other customary conditions and regulatory approvals, is expected to close in the second quarter of 2019. Upon closing, the combined company will be known as Newmont Goldcorp.

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ITEM 9.CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A.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.

There were no changes in the Company's internal control over financial reporting that occurred during the quarter ended December 31, 2018, that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

Management's Report on Internal Control over Financial Reporting

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed by, or under the supervision of, the Company's principal executive and principal financial officers and effected by the Company's board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Company's management assessed the effectiveness of the Company's internal control over financial reporting at December 31, 2018. In making this assessment, the Company's management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework 2013. Based upon its assessment, management concluded that, at December 31, 2018, the Company's internal control over financial reporting was effective.

Ernst & Young LLP, an independent registered public accounting firm, who audited the Company's Consolidated Financial Statements as of December 31, 2018 and the year then ended included in this Form 10-K, has issued an attestation report on the Company's internal control over financial reporting, as of December 31, 2018, which is included herein.

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Newmont Mining Corporation

Opinion on Internal Control over Financial Reporting

We have audited Newmont Mining Corporation's internal control over financial reporting as of December 31, 2018, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), (the COSO criteria). In our opinion, Newmont Mining Corporation (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2018, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2018 and 2017, the related consolidated statements of operations, comprehensive income (loss), changes in equity and cash flows for each of the three years in the period ended December 31, 2018, and the related notes and financial statement schedule listed in the Index at Item 15(a)(2) and our report dated February 21, 2019 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the

assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Denver, Colorado

February 21, 2019

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ITEM 9B.OTHER INFORMATION

First Amendment to Arrangement Agreement

On February 19, 2019, we and Goldcorp entered into a First Amendment to Arrangement Agreement (the “Amendment”), amending the Arrangement Agreement entered into by us and Goldcorp on January 14, 2019.

Pursuant to the terms of the Amendment: (i) the European Union was removed from the list of required key regulatory approvals as set forth in Schedule D of the Arrangement Agreement, such that the adoption of a decision by the European Commission declaring the transactions contemplated by the Arrangement Agreement to be compatible with the common market is no longer a condition precedent to the arrangement; and (ii) holders of certain options to purchase Goldcorp common shares under certain existing stock option plans of Goldcorp will be entitled to exercise such options for Newmont common stock and Newmont has agreed to use its reasonable best efforts to obtain approval of the listing for trading on the NYSE the shares of Newmont common stock issuable upon exercise of such Goldcorp options.

The foregoing summary of the Amendment is qualified in its entirety by the full text of the Amendment, which is attached hereto as Exhibit 2.5, and is incorporated by reference herein.

Compensatory Arrangements of Certain Officers

On February 4, 2019, the Company announced the appointment of Mr. Rob Atkinson, to the role of Executive Vice President and Chief Operating Officer, effective June 1, 2019. In addition to the compensation terms for Mr. Atkins disclosed on February 4, 2019, the Company agreed on February 18, 2019 with Mr. Atkinson to provide to him a sign-on award comprised of restricted stock units with a target value of \$750,000 which will vest one-third per year and a cash sign-on award in the amount of \$500,000 subject to a two-year clawback arrangement. The sign-on compensation is intended to address compensation forfeited due to Mr. Atkinson’s departure from his previous employer.

On February 20, 2019, in consideration of Mr. Gary Goldberg’s deferral of his retirement date to the fourth quarter of 2019, the Board of Directors resolved to amend Mr. Goldberg’s 2017 Performance-leveraged Stock Unit (“PSU”) award to define retirement consistent with the 2018 PSU award. See the Company’s 2018 Proxy Statement, filed March 9, 2018, for a description of the two definitions of retirement. Mr. Goldberg does not meet the 2017 PSU award retirement definition, but does meet the 2018 PSU retirement definition. The amendment to the 2017 PSU award entitles Mr. Goldberg to pro-rata vesting of his 2017 PSU, utilizing the most recent calculation of performance, rather than forfeiture of the entire award. Upon retirement in the fourth quarter of 2019, Mr. Goldberg will have served nearly or all of the entire three year performance period of the 2017 PSU award as CEO, with the end of the three year period being December 31, 2019. The target 2017 PSU grant to Mr. Goldberg is 134,347 shares, with a maximum payout of 268,694 shares. The realized value of the 2017 PSU will depend upon actual performance of the 2017 PSU and Company stock price at the time of retirement.

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PART III

ITEM 10.DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information concerning Newmont's directors, Audit Committee, compliance with Section 16(a) of the Exchange Act and Code of Ethics is contained in Newmont's definitive Proxy Statement, filed pursuant to Regulation 14A promulgated under the Securities Exchange Act of 1934 for the 2019 Annual Meeting of Stockholders and is incorporated herein by reference.

Information concerning Newmont's executive officers is set forth below:

| Name | Age | Office |
|-----------------------|-----|---|
| Gary J. Goldberg | 60 | Chief Executive Officer |
| Thomas R. Palmer | 51 | President and Chief Operating Officer |
| Nancy K. Buese | 49 | Executive Vice President and Chief Financial Officer |
| Elaine Dorward-King | 61 | Executive Vice President, Sustainability and External Relations |
| Randy Engel | 52 | Executive Vice President, Strategic Development |
| Stephen P. Gottesfeld | 51 | Executive Vice President and General Counsel |
| Scott P. Lawson | 57 | Executive Vice President and Chief Technology Officer |
| William N. MacGowan | 61 | Executive Vice President, Human Resources |
| John W. Kitlen | 55 | Vice President, Controller and Chief Accounting Officer |

There are no family relationships by blood, marriage or adoption among any of the above executive officers or members of the Board of Directors of Newmont. Each executive officer is elected annually by the Board of Directors of Newmont to serve for one year or until his or her respective successor is elected and qualified. There is no arrangement or understanding between any of the above executive officers and any other person pursuant to which he or she was selected as an executive officer.

Mr. Goldberg has served as Chief Executive Officer and member of the Board of Directors since March 2013. He served as President and Chief Executive Officer from March 2013 until November 2018, having previously served as President and Chief Operating Officer since July 2012 and as Executive Vice President and Chief Operating Officer since December 2011. Prior to joining Newmont, Mr. Goldberg served as President and Chief Executive Officer, Rio Tinto Minerals from 2006 to 2011 and President and Chief Executive Officer, Rio Tinto Borax from 2004 to 2006.

Mr. Palmer became President and Chief Operating Officer of Newmont in November 2018. Previously, he served as Executive Vice President and Chief Operating Officer since May 2016. Mr. Palmer was elected Senior Vice President, Asia Pacific in February 2015 after serving as Senior Vice President, Indonesia since March 2014. Prior to joining Newmont, he was the Chief Operating Officer, Pilbara Mines at Rio Tinto Iron Ore. Over a 20-year career with Rio Tinto, Mr. Palmer worked in a variety of roles across a number of commodities, including General Manager, Technology for the Bauxite and Alumina business; General Manager, Operations at Hail Creek coal mine; and General Manager, Asset Management at Palabora Mining Company in South Africa.

Ms. Buese was elected Executive Vice President and Chief Financial Officer in October 2016. Ms. Buese most recently served as Executive Vice President and Chief Financial Officer for MPLX, a publicly traded energy company formed by Marathon Petroleum Corporation. Prior to MPLX's acquisition of MarkWest Energy Partners in 2015, Ms. Buese served for 11 years as Executive Vice President and Chief Financial Officer of MarkWest. Ms. Buese also is a former Partner with Ernst & Young and worked in public accounting for 12 years.

Dr. Dorward-King was elected Executive Vice President of Sustainability & External Relations in March 2013 when she joined Newmont. Dr. Dorward-King served as Managing Director of Richards Bay Minerals in South Africa from December 2010 through February 2013. Dr. Dorward-King previously served as the Global Head of Health, Safety and Environment at Rio Tinto from 2002 to 2010 and also held leadership positions with Rio Tinto's copper and borates businesses. Prior to that, she worked for Ebasco Environmental and for Monsanto Company as a chemist, research specialist and product manager.

Mr. Engel was elected Executive Vice President, Strategic Development in October 2008, having served as Senior Vice President, Strategy and Corporate Development since July 2007. Mr. Engel served as Vice President, Strategic Planning and Investor

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relations from 2006 to 2007; Group Executive, Investor Relations from 2004 to 2006; and Assistant Treasurer from 2001 to 2004. Mr. Engel has been with Newmont since 1994, and has served in various capacities in the areas of business planning, corporate treasury and human resources.

Mr. Gottesfeld was elected as Executive Vice President and General Counsel in March 2015 after having served as Executive Vice President, General Counsel and Corporate Secretary since February 2013. He previously served as Senior Vice President, General Counsel and Corporate Secretary since February 2012 and Vice President and General Counsel since January 2010. Mr. Gottesfeld was Vice President, Communications and Public Affairs from 2006 to 2010. Mr. Gottesfeld was Newmont's Associate General Counsel from 2004 to 2006, responsible for Newmont's Latin American, African and Central Asian legal affairs. From 2002 to 2004, Mr. Gottesfeld was Newmont's Associate General Counsel and General Manager of Newmont Peru S.R.L., working in Lima, Peru. From 1997 to 2001, Mr. Gottesfeld served in various roles, including as Assistant General Counsel and Senior Counsel.

Mr. Lawson was appointed Executive Vice President and Chief Technology Officer in May 2016. He was elected Executive Vice President, Technical Services in March 2015 having previously served as Senior Vice President, Technical Services since December 2012. Prior to joining Newmont, Mr. Lawson served as Senior Vice President, Engineering Services at Peabody Energy, responsible for global engineering and technical services support. Mr. Lawson spent 22 years with international miner Rio Tinto including executive roles and as Vice President, Engineering and Technical Services for Kennecott Utah Copper. He has also served on the Utah Air Quality Board and the Utah Safety Council Board.

Mr. MacGowan serves as Executive Vice President, Human Resources after having been elected Executive Vice President, Human Resources and Communications in February 2010. Prior to joining Newmont, Mr. MacGowan served as Executive Vice President and Chief Human Resources Officer, People and Places for Sun Microsystems from 2006 to 2010; Senior Vice President, Human Resources, 2004 to 2006; Vice President, Human Resources, Global Centers of Expertise, 2002 to 2004; Vice President, Human Resources, Engineering and Operations, 2001 to 2002; Vice President, Human Resources, Enterprise Services, 1999 to 2001 and; Director, Human Resources, Enterprise Services, 1998 to 1999.

Mr. Kitlen became the Vice President, Controller and Chief Accounting Officer in June 2016. He was elected Vice President, Internal Audit in October 2012, having previously served as Director, Internal Audit since joining Newmont in February 2011. Prior to joining Newmont, Mr. Kitlen served as Director, Internal Audit at Sun Microsystems for four years. Previously, he served as the Internal Audit Director for StorageTek and spent more than seven years with Level 3 Communications in various roles including Vice President of Internal Audit, Assistant Corporate Controller and Director of Finance. Mr. Kitlen began his career in public accounting with Deloitte and Touche.

ITEM 11.EXECUTIVE COMPENSATION

Information concerning this item is contained in Newmont's definitive Proxy Statement, filed pursuant to Regulation 14A promulgated under the Securities Exchange Act of 1934 for the 2019 Annual Meeting of Stockholders and is incorporated herein by reference.

ITEM 12.SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information concerning this item is contained in Newmont's definitive Proxy Statement, filed pursuant to Regulation 14A promulgated under the Securities Exchange Act of 1934 for the 2019 Annual Meeting of Stockholders and incorporated herein by reference.

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Equity Compensation Plan Information

The following table sets forth at December 31, 2018 information regarding Newmont's Common Stock that may be issued under Newmont's equity compensation plans:

| Plan Category | Number of Securities to be issued upon exercise of outstanding options, warrants and rights (a) | Weighted average exercise price of outstanding options, warrants and rights (b) (1) | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c) | |
|--|--|--|--|-----|
| Equity compensation plans approved by security holders (2) | 5,458,133 | 40.77 | 8,932,698 | (3) |
| Equity compensation plans not approved by security holders | — | N/A | — | |

- (1) The weighted average exercise price does not take into account the shares issuable upon vesting of restricted stock units, performance leveraged stock units or strategic stock units.
- (2) Newmont's 2013 Stock Incentive Plan was approved by the stockholders on April 24, 2013. A maximum of 14,500,000 shares of Newmont's Common Stock, plus up to 7,842,793 shares available for grant under the 2005 Incentive Plan as of December 31, 2013, were authorized to be issued under the 2013 Stock Incentive Plan at that time. There are currently 8,932,698 shares registered and available to grant under the 2013 Stock Incentive Plan. There are no equity compensation plans not approved by stockholders.
- (3) Securities remaining available for future issuance under the 2013 Stock Incentive Plan. No additional grants or awards will be made under any of the Company's other plans.

ITEM 13.CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information concerning this item is contained in Newmont's definitive Proxy Statement, filed pursuant to Regulation 14A promulgated under the Securities Exchange Act of 1934 for the 2019 Annual Meeting of Stockholders and incorporated herein by reference.

ITEM 14.PRINCIPAL ACCOUNTING FEES AND SERVICES

Information concerning this item is contained in Newmont's definitive Proxy Statement, filed pursuant to Regulation 14A promulgated under the Securities Exchange Act of 1934 for the 2019 Annual Meeting of Stockholders and incorporated herein by reference.

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PART IV

ITEM 15.EXHIBITS, FINANCIAL STATEMENT SCHEDULES

The following documents are filed as a part of this report:

(a)Financial Statements

(1)The Consolidated Financial Statements, together with the report thereon of Ernst & Young LLP dated February 21, 2019, are included as part of Item 8, Financial Statements and Supplementary Data, commencing on page 99 above.

| | |
|--|------|
| <u>Report of Independent Registered Public Accounting Firm</u> | Page |
| <u>Consolidated Statements of Operations</u> | 99 |
| <u>Consolidated Statements of Comprehensive Income (Loss)</u> | 100 |
| <u>Consolidated Statements of Cash Flows</u> | 101 |
| <u>Consolidated Balance Sheets</u> | 102 |
| <u>Consolidated Statements of Changes in Equity</u> | 104 |
| <u>Notes to Consolidated Financial Statements</u> | 105 |
| | 106 |

(2)Financial Statement Schedules:

Included on page SCH-1 is Schedule II – Valuation and Qualifying Accounts.

(3)Exhibits:

Exhibit

| Number | Description |
|--------|--|
| 2.1 | — <u>Stock Purchase Agreement, dated as of June 8, 2015 by and among Registrant and AngloGold Ashanti North America Inc., AngloGold Ashanti USA Incorporated, AngloGold Ashanti (Colorado) Corp., GCGC LLC and, for limited purposes, AngloGold Ashanti Limited. Incorporated by reference to Exhibit 2.1 to Registrant's Form 8-K filed with the Securities and Exchange Commission on June 10, 2015.</u> |
| 2.2 | — <u>NTPBV Share Sale and Purchase Agreement by and among Nusa Tenggara Partnership BV, as vendor, Newmont Mining Corporation, as vendor guarantor, Sumitomo Corporation, as vendor guarantor, and PT Amman Mineral Internasional, as purchaser, dated June 30, 2016. Incorporated by reference to Registrant's Form 8-K filed with the Securities and Exchange Commission on July 5, 2016.</u> |
| 2.3 | — <u>Sale and Purchase Agreement – PTPI Loan by and among NVL (USA) Limited, as original lender, Newmont Mining Corporation, as original lender guarantor, and PT Amman Mineral Internasional, as new lender, dated June 30, 2016. Incorporated by reference to Registrant's Form 8-K filed with the</u> |

Securities and Exchange Commission on July 5, 2016.

- 2.4 — Arrangement Agreement, dated as of January 14, 2019, by and among Registrant and Goldcorp Inc. Incorporated by reference to Exhibit 2.1 to Registrant's Form 8-K filed with the Securities and Exchange Commission on January 14, 2019.
- 2.5 — First Amendment to Arrangement Agreement, dated as of February 19, 2019, by and among Registrant and Goldcorp Inc., filed herewith.
- 3.1 — Certificate of Incorporation of Registrant, restated as of October 28, 2009. Incorporated by reference to Exhibit 3.1 to Registrant's Form 10-Q for the period ended September 30, 2009, filed with the Securities and Exchange Commission on October 29, 2009.

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- 3.2 — By-Laws of the Registrant as amended and restated effective as of October 24, 2018. Incorporated by reference to Exhibit 3.1 to Registrant's Form 10-Q for the period ended September 30, 2018, filed with the Securities and Exchange Commission on October 25, 2018.
- 4.1 — Indenture, dated as of March 22, 2005, among Registrant, Newmont USA Limited and Citibank, N.A. Incorporated by reference to Exhibit 4.1 to Registrant's Form 8-K filed with the Securities and Exchange Commission on March 22, 2005.
- 4.2 — Form of 5.875% Note due 2035 issued pursuant to Indenture, dated as of March 22, 2005, among Registrant, Newmont USA Limited and Citibank, N.A. Incorporated by reference to Exhibit 4.2 to Registrant's Form 8-K filed with the Securities and Exchange Commission on March 22, 2005.
- 4.3 — Base Indenture, dated September 18, 2009, among Registrant, Newmont USA Limited and The Bank of New York Mellon Trust Company, N.A., as trustee. Incorporated by reference to Exhibit 4.1 to Registrant's Form 8-K filed with the Securities and Exchange Commission on September 18, 2009.
- 4.4 — First Supplemental Indenture, dated September 18, 2009, among Registrant, Newmont USA Limited and The Bank of New York Mellon Trust Company, N.A., as trustee (including form of 5.125% Senior Note due 2019, form of 6.250% Senior Note due 2039, and forms of Guaranty for the 2019 Notes and 2039 Notes). Incorporated by reference to Exhibit 4.2 to Registrant's Form 8-K filed with the Securities and Exchange Commission on September 18, 2009.
- 4.5 — Second Supplemental Indenture, dated March 8, 2012, among Registrant, Newmont USA Limited and The Bank of New York Mellon Trust Company, N.A., as trustee (including form of 3.500% Senior Note due 2022 and form of 4.875% Senior Note due 2042, and forms of Guaranty for the 2022 Notes and 2042 Notes). Incorporated by reference to Exhibit 4.2 to Registrant's Form 8-K filed with the Securities and Exchange Commission on March 9, 2012.
- 4.6 — See footnote(1).
- 10.1* — Savings Equalization Plan, amended and restated, of Newmont USA Limited, a wholly owned subsidiary of the Registrant, effective December 31, 2008. Incorporated by reference to Exhibit 10.1 to Registrant's Annual Report on Form 10-K for the year ended December 31, 2008, filed with the Securities and Exchange Commission on February 19, 2009.
- 10.2* — Amendment One to the December 31, 2008 restated Savings Equalization Plan of Newmont USA Limited, a wholly owned subsidiary of the Registrant, effective January 1, 2010 and Amendment Two to the December 31, 2008 restated Savings Equalization Plan of Newmont USA Limited, a wholly owned subsidiary of the Registrant, effective January 1, 2011, both incorporated by reference to Exhibit 10.59 to Registrant's Annual Report on Form 10-K for the year ended December 31, 2011, filed with the Securities and Exchange Commission on February 24, 2012.
- 10.3* — Amendment Three to the December 31, 2008 restated Savings Equalization Plan of Newmont USA Limited, a wholly owned subsidiary of the Registrant, effective January 1, 2013. Incorporated by reference to Exhibit 10.1 to Registrant's Form 10-Q for the period ended September 30, 2013, filed with the Securities and Exchange Commission on October 31, 2013.
- 10.4* — Amendment Four to the December 31, 2008 restated Savings Equalization Plan of Newmont USA Limited, a wholly owned subsidiary of the Registrant, effective September 1, 2013. Incorporated by

reference to Exhibit 10.2 to Registrant's Form 10-Q for the period ended September 30, 2013, filed with the Securities and Exchange Commission on October 31, 2013.

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- 10.5* — Amendment Five to the December 31, 2008 restated Savings Equalization Plan of Newmont USA Limited, a wholly owned subsidiary of the Registrant, effective January 1, 2016. Incorporated by reference to Exhibit 10.5 to Registrant's Form 10-K for the period ended December 31, 2016, filed with the Securities and Exchange Commission on February 21, 2017.
- 10.6* — Amendment Six to the December 31, 2008 restated Savings Equalization Plan of Newmont USA Limited, a wholly owned subsidiary of the Registrant, effective January 1, 2018, filed herewith.
- 10.7* — Pension Equalization Plan, amended and restated, of Newmont USA Limited, a wholly owned subsidiary of the Registrant, effective December 31, 2008. Incorporated by reference to Exhibit 10.2 to Registrant's Annual Report on Form 10-K for the year ended December 31, 2008, filed with the Securities and Exchange Commission on February 19, 2009.
- 10.8* — Amendment One to the December 31, 2008 restated Pension Equalization Plan of Newmont USA Limited, a wholly owned subsidiary of the Registrant, effective January 1, 2014. Incorporated by reference to Exhibit 10.1 to Registrant's Form 10-Q for the period ended June 30, 2014 filed, with the Securities and Exchange Commission on July 30, 2014.
- 10.9* — Amendment Two to the December 31, 2008 restated Pension Equalization Plan of Newmont USA Limited, a wholly owned subsidiary of the Registrant, effective January 1, 2016. Incorporated by reference to Exhibit 10.8 to Registrant's Form 10-K for the period ended December 31, 2016, filed with the Securities and Exchange Commission on February 21, 2017.
- 10.10* — Amendment Three to the December 31, 2008 restated Pension Equalization Plan of Newmont USA Limited, a wholly owned subsidiary of the Registrant, effective January 1, 2018. Incorporated by reference to Exhibit 10.1 to Registrant's Form 10-Q for the period ended September 30, 2018, filed with the Securities Exchange Commission on October 25, 2018.
- 10.11* — 2005 Stock Incentive Plan, amended and restated effective October 26, 2005. Incorporated by reference to Exhibit 10.1 of Registrant's Form 8-K filed with the Securities and Exchange Commission on October 31, 2005.
- 10.12* — 2013 Stock Incentive Plan. Incorporated by reference to Appendix A of the Registrant's Schedule 14A filed with the Securities and Exchange Commission on March 7, 2013.
- 10.13* — Form of Award Agreement used for Executive Officers to grant stock options pursuant to Registrant's 2005 Stock Incentive Plan. Incorporated by reference to Exhibit 10.2 of Registrant's Form 8-K filed with the Securities and Exchange Commission on October 31, 2005.
- 10.14* — Form of Award Agreement used for non-employee Directors to grant director stock units pursuant to the 2005 Stock Incentive Plan. Incorporated by reference to Exhibit 10.1 of Registrant's Form 8-K filed with the Securities and Exchange Commission on June 17, 2005.
- 10.15* — Form of Award Agreement used for non-employee Directors to grant director stock units pursuant to Registrant's 2013 Stock Incentive Plan. Incorporated by reference to Exhibit 10.8 to Registrant's Quarterly Report on Form 10-Q for the period ended June 30, 2013, filed with the Securities and Exchange Commission on July 26, 2013.
- 10.16* —

2016 Form of Award Agreement used for Executive Officers to grant restricted stock units, pursuant to Registrant's 2013 Stock Incentive Plan. Incorporated by reference to Exhibit 10.1 to Registrant's Form 10-Q for the period ended March 31, 2016, filed with the Securities and Exchange Commission on April 20, 2016.

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- 10.17* — 2016 Restricted Stock Unit Agreement for supplemental restricted stock unit award to E. Randall Engel, dated February 22, 2016. Incorporated by reference to Exhibit 10.2 to Registrant's Form 10-Q for the period ended March 31, 2016, filed with the Securities and Exchange Commission on April 20, 2016.
- 10.18* — 2016 Restricted Stock Unit Agreement for supplemental restricted stock unit award to Stephen P. Gottesfeld, dated February 22, 2016. Incorporated by reference to Exhibit 10.3 to Registrant's Form 10-Q for the period ended March 31, 2016, filed with the Securities and Exchange Commission on April 20, 2016.
- 10.19* — 2017 Form of Award Agreement used for Executive Officers to grant restricted stock units, pursuant to Registrant's 2013 Stock Incentive Plan. Incorporated by reference to Exhibit 10.6 to Registrant's Form 10-Q for the period ended June 30, 2017, filed with the Securities and Exchange Commission on July 25, 2017.
- 10.20* — 2017 Form of Award Agreement used for Executive Officers to grant performance leveraged stock units, pursuant to Registrant's 2013 Stock Incentive Plan. Incorporated by reference to Exhibit 10.7 to Registrant's Form 10-Q for the period ended June 30, 2017, filed with the Securities and Exchange Commission on July 25, 2017.
- 10.21* — 2018 Form of Award Agreement used for Executive Officers to grant restricted stock units, pursuant to Registrant's 2013 Stock Incentive Plan, filed herewith.
- 10.22* — 2018 Form of Award Agreement used for Executive Officers to grant performance leveraged stock units, pursuant to Registrant's 2013 Stock Incentive Plan, filed herewith.
- 10.23* — Form of Global 2018 Director Stock Unit Award Agreement to grant director stock units, pursuant to Registrant's 2013 Stock Incentive Plan, filed herewith.
- 10.24* — Offer of Director Stock Units to Australian Resident Directors regarding the grant of Director Stock Units under the Registrant's 2013 Stock Incentive Plan to eligible Australian resident directors of Registrant, filed herewith.
- 10.25* — Senior Executive Compensation Program of Registrant, effective January 1, 2015. Incorporated by reference to Exhibit 10.7 to Registrant's Form 10-Q for the period ended March 31, 2015, filed with the Securities and Exchange Commission on April 24, 2015.
- 10.26* — Senior Executive Compensation Program of Registrant, as amended and restated effective January 1, 2016. Incorporated by reference to Exhibit 10.1 to Registrant's Form 10-Q for the period ended June 30, 2016, filed with the Securities and Exchange Commission on July 20, 2016.
- 10.27* — Senior Executive Compensation Program of Registrant, effective January 1, 2017. Incorporated by reference to Exhibit 10.3 to Registrant's Form 10-Q for the period ended June 30, 2017, filed with the Securities and Exchange Commission on July 25, 2017.
- 10.28* — Senior Executive Compensation Program of Registrant, effective January 1, 2018. Incorporated by reference to Exhibit 10-1 to the Registrant's Form 10-Q for the period ended March 31, 2018, filed with the Securities and Exchange Commission on April 26, 2018.
- 10.29* —

Section 16 Officer and Senior Executive Annual Incentive Compensation Program, effective January 1, 2018. Incorporated by reference to Exhibit 10.2 to the Registrant's Form 10-Q for the period ended March 31, 2018 filed with the Securities and Exchange Commission on April 26, 2018.

- 10.30* — Equity Bonus Program for Grades E-5 to E-6, effective January 1, 2017. Incorporated by reference to Exhibit 10.5 to Registrant's Form 10-Q for the period ended June 30, 2017, filed with the Securities and Exchange Commission on July 25, 2017.

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- 10.31* — Equity Bonus Program for Grades E-5 to E-6, effective January 1, 2018. Incorporated by reference to Exhibit 10.3 to the Registrant's Form 10-Q for the period ended March 31, 2018, filed with the Securities and Exchange Commission on April 26, 2018.
- 10.32* — Executive Change of Control Plan, amended and restated effective December 31, 2008, of Newmont USA Limited, a wholly owned subsidiary of Registrant. Incorporated by reference to Exhibit 10.20 to Registrant's Annual Report on Form 10-K for the year ended December 31, 2008, filed with the Securities and Exchange Commission on February 19, 2009.
- 10.33* — Amendment One to the December 31, 2008 Executive Change of Control Plan of Newmont, amended and restated by Newmont USA Limited, a wholly owned subsidiary of Registrant, effective January 1, 2012, and Amendment Two to the December 31, 2008 Executive Change of Control Plan of Newmont, amended and restated by Newmont USA Limited, a wholly owned subsidiary of Registrant, effective January 1, 2012. Incorporated by reference to Exhibit 10.58 to Registrant's Annual Report on Form 10-K for the year ended December 31, 2011, filed with the Securities and Exchange Commission on February 24, 2012.
- 10.34* — Amendment Three to the December 31, 2008 Executive Change of Control Plan of Newmont, amended and restated by Newmont USA Limited, a wholly owned subsidiary of Registrant, effective January 1, 2012. Incorporated by reference to Exhibit 10.35 to Registrant's Annual Report on Form 10-K for the year ended December 31, 2017, filed with the Securities and Exchange Commission on February 22, 2018.
- 10.35* — Form of Waiver and Release Agreement to the December 31, 2008 Executive Change of Control Plan of Newmont USA Limited, a wholly owned subsidiary of Registrant, effective December 31, 2017. Incorporated by reference to Exhibit 10.36 to Registrant's Annual Report on Form 10-K for the year ended December 31, 2017, filed with the Securities and Exchange Commission on February 22, 2018.
- 10.36* — 2012 Executive Change of Control Plan, effective January 1, 2012, of Newmont USA Limited, a wholly owned subsidiary of Registrant. Incorporated by reference to Exhibit 10.57 to Registrant's Annual Report on Form 10-K for the year ended December 31, 2011, filed with the Securities and Exchange Commission on February 24, 2012.
- 10.37* — 2014 Executive Severance Plan of Newmont, amended and restated effective January 1, 2014. Incorporated by reference to Exhibit 10.68 to Registrant's Form 10-K for the year ended December 31, 2014, filed with the Securities and Exchange Commission on February 20, 2015.
- 10.38* — Amendment One to the Executive Severance Plan of Newmont, amended and restated effective January 1, 2014. Incorporated by reference to Exhibit 10.69 to Registrant's Form 10-K for the year ended December 31, 2014, filed with the Securities and Exchange Commission on February 20, 2015.
- 10.39* — Amendment Two to the Executive Severance Plan of Newmont. Incorporated by reference to Exhibit 10.1 to Registrant's Form 10-Q for the period ended September 30, 2015, filed with the Securities and Exchange Commission on October 29, 2015.
- 10.40* — Amendment Three to the Executive Severance Plan of Newmont. Incorporated by reference to Exhibit 10.36 to Registrant's Annual Report on Form 10-K for the year ended December 31, 2016, filed with the Securities and Exchange Commission on February 21, 2017.

- 10.41 — Amendment and Restatement Agreement, dated as of May 25, 2017, restating the Credit Agreement, dated as of May 20, 2011 (as amended by the First Amendment dated as of May 15, 2012, the Second Amendment dated as of March 31, 2014 and the Third Amendment dated as of March 3, 2015), by and among Newmont Mining Corporation, the lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent. Incorporated by reference to Exhibit 10.1 to Registrant's Form 8-K filed with the Securities and Exchange Commission on May 26, 2017.

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- 10.42 — Reaffirmation Agreement, dated May 25, 2017, by Newmont USA Limited and JPMorgan Chase Bank, N.A., as Administrative Agent. Incorporated by reference to Exhibit 10.2 to Registrant's Form 8-K filed with the Securities and Exchange Commission on May 26, 2017.
- 10.43 — Mineral Agreement dated and effective as of November 22, 2013, between the Republic of Suriname and Suriname Gold Company, LLC., a wholly owned subsidiary of the Registrant, as clarified by bulletin and letters dated September 10, 2013 and November 21, 2013, respectively. Incorporated by reference to Exhibit 10.2 to Registrant's Form 10-Q for the period ended June 30, 2014 filed with the Securities and Exchange Commission on July 30, 2014.
- 10.44 — 2015 Investment Agreement between the Republic of Ghana and Newmont Ghana Gold Limited. Incorporated by reference to Exhibit 10.1 to Registrant's Form 8-K filed with the Securities and Exchange Commission on December 22, 2015.
- 10.45 — 2015 Investment Agreement between the Republic of Ghana and Newmont Golden Ridge Limited. Incorporated by reference to Exhibit 10.2 to Registrant's Form 8-K filed with the Securities and Exchange Commission on December 22, 2015.
- 21 — Subsidiaries of Newmont Mining Corporation, filed herewith.
- 23.1 — Consent of Ernst & Young LLP, filed herewith.
- 24 — Power of Attorney, filed herewith.
- 31.1 — Certification Pursuant to Rule 13A-14 or 15D-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 15D-14 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 signed by the Principal Financial Officer, filed herewith.
- 32.1 — Statement Required by 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 signed by Principal Executive Officer, furnished herewith.
- 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 Principal Financial Officer, furnished herewith.
- 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

* These exhibits relate to executive compensation plans and arrangements.

⁽¹⁾ In reliance upon Item 601(b)(4)(iii) of Regulation S-K, various instruments defining the rights of holders of non-current debt of Newmont Mining Corporation are not being filed herewith because the total of securities authorized under each such instrument does not exceed 10% of the total assets of Newmont Mining Corporation. Registrant hereby agrees to furnish a copy of any such instrument to the Commission upon request.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Annual Report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized.

NEWMONT MINING CORPORATION

By: /s/ STEPHEN P. GOTTESFELD
Stephen P. Gottesfeld

Executive Vice President and General Counsel

February 21, 2019

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on February 21, 2019.

| Signature | Title |
|-----------------------|---|
| * Gary J. Goldberg | Chief Executive Officer and Director (Principal Executive Officer) |
| * Nancy K. Buese | Executive Vice President and Chief Financial Officer (Principal Financial Officer) |
| * John W. Kitlen | Vice President, Controller and Chief Accounting Officer (Principal Accounting Officer) |
| Gregory H. Boyce* | Director |
| Bruce R. Brook* | Director |
| J. Kofi Bucknor* | Director |
| Joseph A. Carrabba* | Director |
| Noreen Doyle* | Non-Executive Chair |
| Veronica M. Hagen* | Director |
| Sheri E. Hickok* | Director |
| René Médori* | Director |
| Jane Nelson* | Director |

Julio M. Quintana* Director

Molly P. Zhang* Director

*By: /s/ STEPHEN P. GOTTESFELD
Stephen P. Gottesfeld
Attorney-in-Fact

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SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS

| | Years Ended December 31, | | |
|--|--------------------------|----------|----------|
| | 2018 | 2017 | 2016 |
| | (in millions) | | |
| Deferred Income Tax Valuation Allowance | | | |
| Balance at beginning of year | \$ 2,815 | \$ 3,873 | \$ 2,742 |
| Additions to deferred income tax expense | 200 | 579 | 1,634 |
| Reduction of deferred income tax expense | (54) | (443) | (503) |
| Additions due to Tax Cuts and Jobs Act | 79 | — | — |
| Reduction due to Tax Cuts and Jobs Act | (46) | (1,194) | — |
| Balance at end of year | \$ 2,994 | \$ 2,815 | \$ 3,873 |

Refer to Note 9 of the Consolidated Financial Statements for additional information.

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