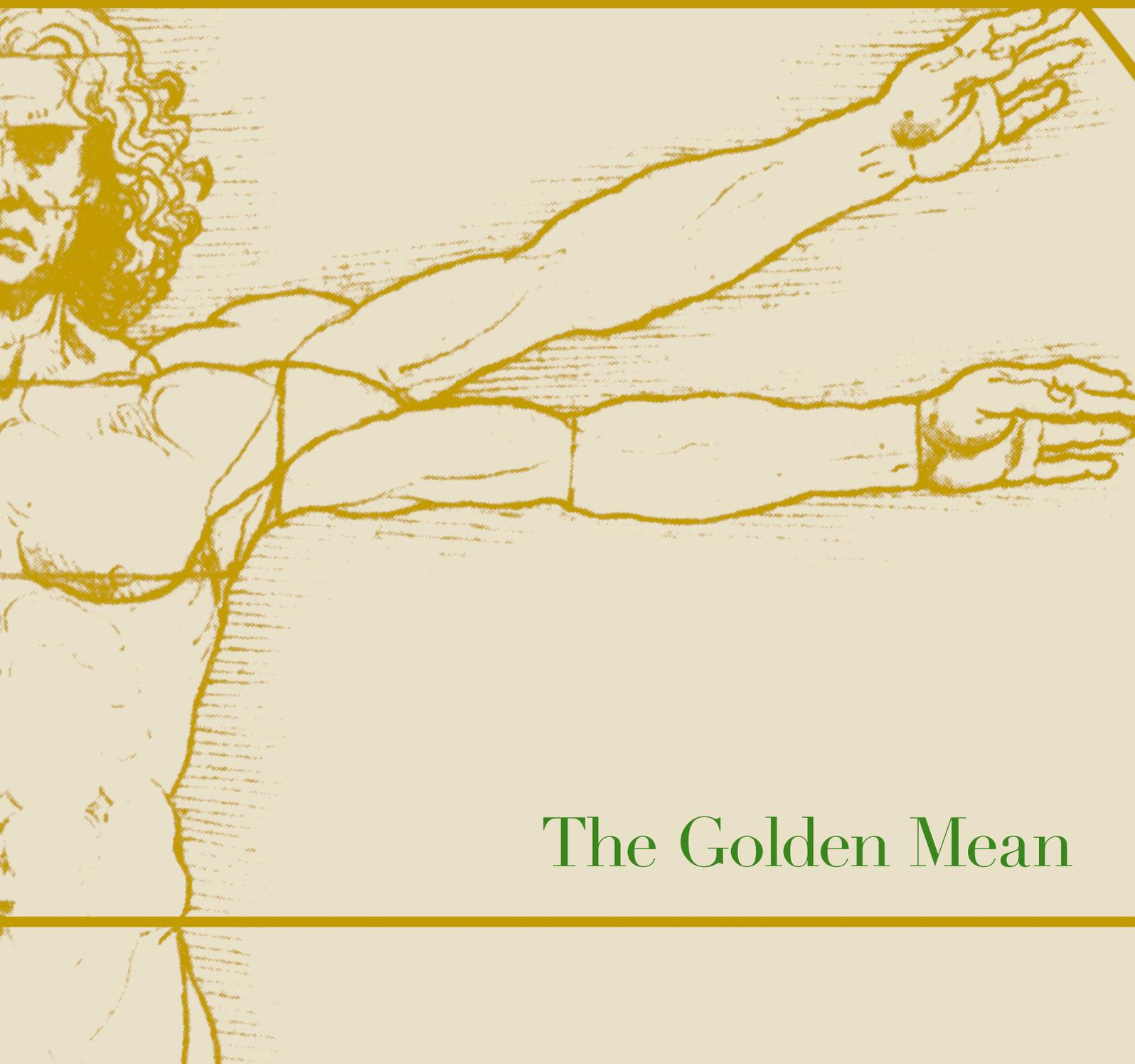


Newmont



Annual
Report
2001



The Golden Mean

Performance Highlights

	Year ended Dec. 31,		
	2001	2000	1999
Earnings before merger/non-cash items*	\$ 13.7	\$ 7.9	\$ 10.6
Per share	0.07	0.04	0.05
Net income (loss)* to common shares	(30.8)	(102.3)	(102.0)
Per share	(0.16)	(0.53)	(0.53)
Net cash provided by operations*	381.3	567.8	451.2
Equity gold sales (000 oz)	5,430.2	5,727.8	4,946.2
Total cash cost per oz	\$ 184	\$ 170	\$ 173
Total production cost per oz	\$ 236	\$ 231	\$ 231
Av. realized price per oz	\$ 271	\$ 281	\$ 284

*in millions

Special Report to Shareholders Coming Soon

On February 16, 2002, Newmont completed its acquisition of Franco-Nevada Mining Corporation Limited. On February 20, Newmont gained control of Normandy Mining Limited, and by February 26, after Newmont's off-market bid for Normandy expired, it had acquired more than 96 percent of Normandy's shares. Newmont is exercising its compulsory acquisition rights under Australian law to acquire all the remaining shares of Normandy and expects this process to be completed by April 15, 2002.

This document outlines our vision for the new Newmont and reports our stand-alone year-end 2001 results. Newmont will distribute a Special Report to shareholders in June 2002, detailing the new company's combined operations and strategy for delivering shareholder value.

About the Cover

The Greeks used the Golden Mean, the equation phi, to explain geometric relationships that are in perfect harmony. Intrigued by how the human body models this principle, Leonardo da Vinci called it the divine proportion. Balance and proportion are also important for today's investors seeking to maximize returns from stock and bond portfolios. For investors seeking harmony, balance and proportion in their portfolios, Newmont is the right formula: large, low-cost and fully leveraged to the gold price.



Wayne W. Murdy
Chairman and Chief Executive Officer

To Our Shareholders,

We have entered a new era, with an unparalleled opportunity to deliver shareholder value. Our philosophy is based on a bedrock belief in gold and its intrinsic long-term value as we provide shareholders the most leverage to increasing gold prices. It is based on marshalling world-class assets and capabilities to be a low-cost producer while maintaining a commitment to excellence in employee safety, environmental protection and community support. And it is based on using our size, geographic scope and financial resources to generate superior earnings and free cash flow, not just higher production.

In February 2002, we completed the acquisitions of Franco-Nevada Mining Corporation Limited of Canada and Normandy Mining Limited of Australia to become the world's premier gold company. With an initial market capitalization approaching \$10 billion, we also rank among the top mining concerns in the world. Size matters, as our number one position in both gold production and reserves will enable us to maintain cash production costs in the lowest quartile in the industry. Equally important, the combination strengthens our balance sheet, improves our political risk profile and adds a new stream of reliable cash flow from Franco-Nevada's mineral royalty investments. Significantly for investors, we also will rank number one in leverage to the gold price.

While planning and executing these acquisitions received significant management focus, Newmont also achieved a number of other milestones during 2001:

- Earnings before merger and non-cash items rose 73 percent, to \$13.7 million, or \$0.07 per share, despite an eight-percent decline in revenue to \$1.7 billion and a five-percent decline in production to 5.4 million ounces of gold. While we reported a net loss for the year after merger and restructuring costs of \$30.8 million, or \$0.16 per share, that was substantially less than the \$102.3 million loss, or \$0.53 per share, in 2000.
- We continued to demonstrate excellence in operations. Batu Hijau, in its second full year of operation, exceeded its production targets for copper and gold and reduced cash costs by 37 percent. Yanacocha produced a record 1.9 million ounces of gold, and Nevada, in its 36th year of mining, turned out 2.7 million ounces of gold as production began at the rich Deep Post underground mine.
- In January 2001, we completed the acquisition of Battle Mountain Gold Company, marking our entry into Canada, Bolivia and Australia, while providing a large addition to our Nevada reserve base for future development.

Gold: New Luster for Traditional Value

Gold's lasting value is once again being recognized in the marketplace. After trading at a low of \$256 an ounce in 2001, gold has risen to the \$300 an ounce range in early 2002 and analysts are adjusting their forecasts upward.

The reason is fundamental: worldwide production is falling and is expected to fall further in the years ahead. The low-price environment of the past few years has led to substantial cuts in exploration budgets throughout the industry and investments in new mines have been deferred. At the same time, central bank sales and producer hedging, which have added to the gold supply in the past, are moderating. With fewer new mines being opened and a low interest rate environment, the opportunity for producer hedging has diminished.

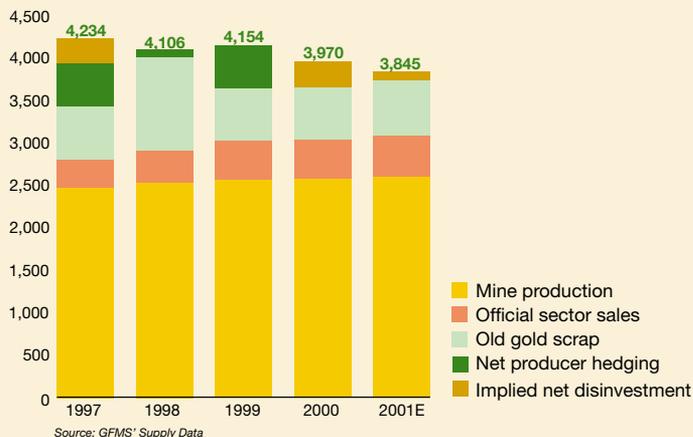
Meanwhile, the prospect of weaker worldwide economies, softer equity markets and political uncertainty around the globe are adding new luster to gold's intrinsic value. Investment demand for gold is increasing, most notably in Japan where stock market losses and limited insurance on bank account savings are driving investors toward hard assets. Jewelry, the

primary outlet for gold, saw modest declining sales in 2001, but overall demand is relatively unchanged.

We have always believed that gold and Newmont's stock, as an unhedged producer, offer investors an ideal way to balance their portfolios and reduce risk. Now, patient investors may also be able to reap the rewards that a rising gold price can deliver.

Improving Fundamentals – Decreasing Gold Supply

metric tons of gold



- And, importantly, our share price improved as investors began to appreciate the strength of our core assets and the improving fundamentals of the gold market. After a disappointing 2000, our stock price rose 12 percent to close the year at \$19.11, double the six-percent gain by the Philadelphia Gold and Silver Index and in sharp contrast with the 13 percent decline in the Standard & Poor's 500 Index.

These accomplishments, while real, were nevertheless unsatisfactory. For the past five years we have been adjusting to a downward spiral in the gold price. In 2001, gold sold off another \$10 to average \$271 an ounce for the year, the lowest in 22 years. While we believed that the gold price would recover, as it has since the third quarter of 2001, we also realized that the structural nature of the company would have to change if we were going to be able to offer real returns to our shareholders.

We were not alone in our thoughts. Management at Franco-Nevada and Normandy had also come to the conclusion that consolidation was essential to overcome the inefficiencies of our traditionally fragmented industry, especially in a low gold price environment. While other natural resource industries—oil and gas, aluminum, copper and nickel—have rationalized their

operations through international consolidation, the gold industry remained largely regional and narrowly focused. By combining Franco-Nevada and Normandy with Newmont, we have not only created the largest gold company in the world, but also the most efficient and most flexible in our ability to meet the challenges and opportunities of the 21st Century.

This strategic initiative, the most significant development in the gold industry in 2001, combines companies with complementary strengths. Newmont is a recognized leader in global operations and is the largest gold producer in both North and South America. Over many years, we have demonstrated our expertise in exploration, mineral extraction and mine development. Furthermore, with the acquisitions of Santa Fe Pacific Gold in 1997 and Battle Mountain Gold in early 2001, Newmont has a proven track record of successfully integrating operations and generating cost-saving synergies.

Normandy is the leading gold producer in Australia with a strong global exploration and development portfolio of its own. Franco-Nevada is the premier royalty company, earning increasing income from key investments in some of the best mines in the world. It has established outstanding merchant

Industry's Most Attractive Asset Portfolio

- Gold
- Copper
- ✕ Zinc
- ◆ Magnesium



banking skills that will add a new dimension to Newmont's business.

Because of these complementary strengths, the new Newmont is far more than the sum of its three parts. We begin with the industry's most attractive asset base with long-lived mines on five continents. Yet, 60 percent of reserves and 70 percent of production come from countries rated AAA by Standard & Poor's for their credit standing and political stability.

Our strategy will focus on our large mining districts in Nevada, Peru and Australia, as well as our large copper/gold mine, Batu Hijau, in Indonesia. That is where we can obtain the economies of scale and operating synergies to remain a low-cost leader. Other properties such as Zarafshan in Central Asia offer a strategic opportunity for leveraging into larger mining districts. Smaller mines and deposits will be evaluated for possible sale or combination with adjoining operations. Opportunities abound for rationalizing multiple mine ownership within mining districts.

With a global land package of 94,000 square miles, roughly equal to the size of the United Kingdom, and a mindset to create shareholder value, not just produce ounces of metal, each of our assets will be

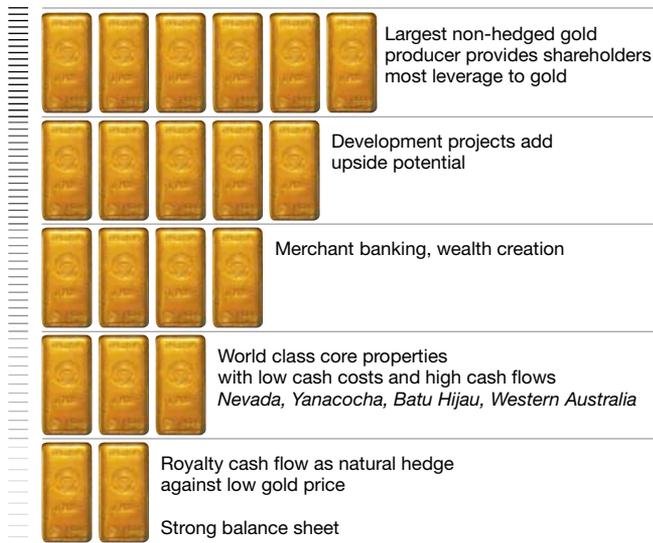
examined carefully and managed for its individual potential. We expect asset sales to generate \$250 million to \$300 million in 2002, including the already completed sale of Franco-Nevada's interests in diamond and nickel mines.

At the same time, we will use a disciplined investment strategy to selectively develop new projects when—and only when—warranted by a long term return that significantly exceeds our cost of capital. The Phoenix project in Nevada, Boddington in Australia and the deeper sulfide potential at Yanacocha in Peru are examples of properties with significant upside potential.

Of course, we will continue to emphasize cost reduction through the extension of such efforts as our successful Gold Medal Performance initiative that is instilling "best practices" at every phase of the organization. As we integrate operations, we expect synergies to generate approximately \$70 million during the first full year. These improvements in cash flow should reach approximately \$90 million in the second year. The acquisitions further enhance our financial flexibility. Our goal is to develop the strongest balance sheet in the industry through free cash flow generation and asset sales.

Strategy for Gold

▲ Leverage to rising gold price



▼ Stability at lower gold price

Today, we believe we have truly created a unique company in the gold industry. In a low gold price environment, we will be sustained by a large and predictable stream of royalty income, excellent cash flow from low-cost mines and a strong balance sheet. But in a rising gold market, we offer shareholders the most leverage to a rising gold price. In addition to a “no hedge” philosophy, we have an excellent pipeline of development projects and the potential of new wealth-creating opportunities as we seek to maximize our large asset base. Importantly, we are also the most liquid gold investment, with Newmont’s stock being traded on the New York, Toronto and Australian stock exchanges.

We are fully engaged in the process of integrating Franco-Nevada and Normandy into Newmont by combining the best human and physical assets of the three companies. Consistent with the principles of full disclosure, we are providing the complete filing with the United States Securities and Exchange Commission in this report for year-end 2001. As a result of these acquisitions, a special report to shareholders will be distributed in June that will fully describe the new, combined company, our financial position and strategy for moving forward. It will also allow us to introduce our new management team and expanded Board of Directors.

In closing, I would like to acknowledge the leadership that Newmont officers, directors and shareholders have received over the past eight years from Ronald C. Cambre. His personal guidance and friendship will be

valued always. Mr. Cambre served with distinction as Chief Executive Officer from November 1993 until December 2000 and as Chairman from 1994 until December 2001. He has announced his intention to retire from the Board of Directors in May.

At the same time, I ask that shareholders extend a warm welcome to our newest directors. Pierre Lassonde and Seymour Schulich, co-founders and co-chief executive officers of Franco-Nevada, have joined the Newmont Board of Directors, as has Craig Haase from Franco-Nevada. Michael Hamson and John Prescott have joined the Board from Normandy. Mr. Lassonde has been elected President of Newmont. Mr. Schulich will serve as Chairman of Newmont Capital Limited, the company’s new merchant banking unit.

We are extremely excited about the future prospects for Newmont and look forward to your continuing support as we move forward.

Respectfully submitted,

Wayne W. Murdy
Chairman and Chief Executive Officer
March 18, 2002

SHAREHOLDER INFORMATION

Please contact the respective stock transfer agent acting as transfer agent, registrar and dividend disbursing agent for Newmont for the securities listed below. Information regarding shareholder accounts, dividend payments, stock transfer and related matters for the securities should be directed to the transfer agent listed.

For holders of Newmont Common Stock (NYSE:NEM) and \$3.25 Preferred Stock (NYSE:NEM Pr)

Mellon Investor Services, LLC
85 Challenger Road
Ridgefield Park, NJ 07660

Toll free: (888) 216-8104
(between 8:00 a.m. and 8:00 p.m.
Eastern Time)
Internet: www.melloninvestor.com

For Holders of Newmont Exchangeable Shares (TSE:NMC)

Computershare Trust Company
of Canada
100 University Avenue, 9th Floor
Toronto, Ontario M5J 2Y1
Canada

Toll free: 1-800-663-9097
Telephone: 416-981-9633
Internet:
caregistryinfo@computershare.com

For Holders of Newmont CHES Depository Interests (CDIs trading on ASX:NEM)

Computershare Investor Services
Pty Limited
Postal Address:
GPO Box 7045
Sydney NSW 1115
Australia

Street Address:
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60 Carrington Street
Sydney, NSW 2000
Australia

Shareholder enquiries:
Australian toll free: 1-800-001-199
International: +61-3-9649 5257
Fax: +61-2-8234-5050
Internet: www.computershare.com

Stock Symbols and Exchange Listings

Newmont Mining Corporation Common Stock NEM
New York Stock Exchange
\$3.25 Preferred Stock NEM Pr
New York Stock Exchange

Newmont Mining Corporation of Canada Limited Exchangeable Shares (1) NMC
Toronto Stock Exchange

Newmont CHES Depository Interests (CDIs) (2) NEM
Australian Stock Exchange

Class A Warrants

TSE: NMC.WT
CUSIP: 351860127
Expiration: September 15, 2003
Outstanding: 2,246,336
Terms: 1 warrant +
Cdn\$200
= 3.2 Newmont
Common Stock
Effective Price: Cdn\$62.50 per
Newmont
Common Stock

Class B Warrants

CDNX: YFN.WT.B
CUSIP: 351860168
Expiration: November 12, 2003
Outstanding: 2,133,751
Terms: 1 warrant +
Cdn\$100
= 2.464 Newmont
Common Stock
Effective Price: Cdn\$40.58 per
Newmont
Common Stock

(1) The Newmont Mining Corporation of Canada Limited Exchangeable Shares (NMC) carry the same shareholder rights as, and are equivalent to, the Newmont Mining Corporation stock (NEM) and are fully exchangeable into shares of common stock of Newmont Mining Corporation.

(2) Newmont CHES Depository Interests (CDIs) represent 1/10 of a share of Newmont Mining Corporation Common Stock.

Newmont Mining Corporation
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