

NEWMONT MINING CORPORATION AND SUBSIDIARIES
Statements of Consolidated Operations and Comprehensive Income (Loss)
(In thousands, except per share)
(Unaudited)

	Three Months Ended	
	<u>September 30,</u>	
	<u>2001</u>	<u>2000</u>
Sales and other income		
Sales	\$ 424,397	\$ 419,395
Dividends, interest and other	<u>(3,291)</u>	<u>697</u>
	<u>421,106</u>	<u>420,092</u>
Costs and expenses		
Costs applicable to sales	283,269	256,320
Depreciation and depletion	71,479	89,204
Exploration and research	12,843	20,699
General and administrative	12,388	18,593
Interest, net of capitalized interest of \$2,881 and \$2,189, respectively	21,745	22,984
Expenses for acquisition settlement	--	42,181
Other	<u>2,953</u>	<u>20,616</u>
	<u>404,677</u>	<u>470,597</u>
Operating income (loss)	16,429	(50,505)
Gain on written call options	<u>943</u>	<u>24,123</u>
Pre-tax income (loss) before minority interest and equity income	17,372	(26,382)
Income tax benefit	8,509	10,552
Minority interest in income of affiliates	(19,335)	(19,496)
Equity income of Batu Hijau	<u>16,852</u>	<u>666</u>
Net income (loss)	23,398	(34,660)
Preferred stock dividends	<u>(1,870)</u>	<u>(1,870)</u>
Net income (loss) applicable to common shares	<u>\$ 21,528</u>	<u>\$ (36,530)</u>
Net income (loss)	\$ 23,398	\$ (34,660)
Other comprehensive income (loss), net of tax	<u>7,163</u>	<u>(8,934)</u>
Comprehensive income (loss)	<u>\$ 30,561</u>	<u>\$ (43,594)</u>
Net income (loss) per common share, basic and diluted	<u>\$ 0.11</u>	<u>\$ (0.19)</u>
Basic weighted average shares outstanding	195,880	192,191
Diluted weighted average shares outstanding	196,068	192,191
Cash dividends declared per common share	<u>\$ 0.03</u>	<u>\$ 0.03</u>

See Notes to Consolidated Financial Statements

NEWMONT MINING CORPORATION AND SUBSIDIARIES
Statements of Consolidated Operations and Comprehensive Loss
(In thousands, except per share)
(Unaudited)

	Nine Months Ended	
	<u>September 30,</u>	
	<u>2001</u>	<u>2000</u>
Sales and other income		
Sales	\$ 1,210,855	\$ 1,283,712
Dividends, interest and other	<u>3,587</u>	<u>4,460</u>
	<u>1,214,442</u>	<u>1,288,172</u>
Costs and expenses		
Costs applicable to sales	812,963	758,626
Depreciation and depletion	218,829	258,605
Exploration and research	43,463	58,884
General and administrative	40,532	49,389
Interest, net of capitalized interest of \$9,523 and \$4,039, respectively	62,641	71,063
Merger and restructuring	60,510	—
Expenses for acquisition settlement	—	42,181
Other	<u>8,203</u>	<u>25,873</u>
	<u>1,247,141</u>	<u>1,264,621</u>
Operating income (loss)	(32,699)	23,551
Gain on written call options	<u>1,797</u>	<u>13,054</u>
Pre-tax income (loss) before minority interest, equity income (loss) and cumulative effect of changes in accounting principle	(30,902)	36,605
Income tax benefit (expense)	6,666	(5,782)
Minority interest in income of affiliates	(44,423)	(66,733)
Equity income (loss) of Batu Hijau	<u>23,214</u>	<u>(14,735)</u>
Net loss before cumulative effect of changes in accounting principle	(45,445)	(50,645)
Cumulative effect of changes in accounting principle, net	<u>—</u>	<u>(12,572)</u>
Net loss	(45,445)	(63,217)
Preferred stock dividends	<u>(5,607)</u>	<u>(5,607)</u>
Net loss applicable to common shares	<u>\$ (51,052)</u>	<u>\$ (68,824)</u>
Net loss	\$ (45,445)	\$ (63,217)
Other comprehensive income (loss), net of tax	<u>11,140</u>	<u>(27,309)</u>
Comprehensive loss	<u>\$ (34,305)</u>	<u>\$ (90,526)</u>
Net loss before cumulative effect of changes in accounting principles per common share, basic and diluted	<u>\$ (0.26)</u>	<u>\$ (0.29)</u>
Net loss per common share, basic and diluted	<u>\$ (0.26)</u>	<u>\$ (0.36)</u>
Basic weighted average shares outstanding	194,720	192,014
Diluted weighted average shares outstanding	194,720	192,014
Cash dividends declared per common share	<u>\$ 0.09</u>	<u>\$ 0.09</u>

See Notes to Consolidated Financial Statements

NEWMONT MINING CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets
(In thousands)
(Unaudited)

	September 30, <u>2001</u>	December 31, <u>2000</u>
Assets		
Cash and cash equivalents	\$ 90,516	\$ 77,558
Short-term investments	7,338	7,084
Accounts receivable	26,381	29,281
Inventories	327,801	361,040
Marketable securities of Lihir	62,340	37,879
Prepaid taxes	20,130	46,307
Current portion of deferred income tax assets	9,626	9,624
Other current assets	<u>46,856</u>	<u>43,395</u>
Current assets	590,988	612,168
Property, plant and mine development, net	2,261,642	2,190,504
Investment in Batu Hijau	541,464	527,568
Long-term inventory	148,474	163,782
Deferred income tax assets	341,744	294,939
Restricted cash	--	41,968
Other long-term assets	<u>92,944</u>	<u>85,837</u>
Total assets	<u>\$3,977,256</u>	<u>\$3,916,766</u>
Liabilities		
Short-term borrowings	\$ —	\$10,000
Current portion of long-term debt	189,189	70,447
Accounts payable	72,400	87,757
Current portion of deferred income tax liabilities	7,983	10,223
Other accrued liabilities	<u>186,482</u>	<u>220,175</u>
Current liabilities	456,054	398,602
Long-term debt	1,092,293	1,129,390
Reclamation and remediation liabilities	170,342	160,548
Deferred revenue	191,039	137,198
Fair value of written call options	--	55,638
Deferred income tax liabilities	123,046	104,649
Other long-term liabilities	<u>254,366</u>	<u>239,384</u>
Total liabilities	<u>2,287,140</u>	<u>2,225,409</u>
Contingencies (Notes 5 and 12)		
Minority interest in affiliates	<u>230,539</u>	<u>191,314</u>
Stockholders' equity		
Convertible preferred stock	11,500	11,500
Common stock	313,559	312,107
Additional paid-in capital	1,460,637	1,463,318
Accumulated other comprehensive loss	(14,648)	(25,788)
Retained deficit	<u>(311,471)</u>	<u>(261,094)</u>
Total stockholders' equity	<u>1,459,577</u>	<u>1,500,043</u>
Total liabilities and stockholders' equity	<u>\$3,977,256</u>	<u>\$3,916,766</u>

See Notes to Consolidated Financial Statements

NEWMONT MINING CORPORATION AND SUBSIDIARIES
Statements of Consolidated Cash Flows
(In thousands)
(Unaudited)

	Nine Months Ended	
	<u>September 30,</u>	
	<u>2001</u>	<u>2000</u>
Operating activities:		
Net loss	\$ (45,445)	\$ (63,217)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and depletion	218,829	258,605
Amortization of capitalized mining costs	30,696	62,814
Deferred taxes	(35,282)	(22,736)
Noncash merger and restructuring expenses	14,667	—
Stock issued for acquisition settlement	—	40,000
Cumulative effect of accounting changes	—	12,572
Amortization of put option premiums	—	16,842
Gain on written call options	(1,797)	(13,054)
Foreign currency exchange loss	5,283	5,855
Minority interest, net of dividends	39,224	37,048
Undistributed (income) losses of Batu Hijau	(23,214)	14,735
Gain on sale of assets and other	(5,795)	(862)
(Increase) decrease in operating assets:		
Accounts receivable	(2,502)	7,214
Inventories	49,402	(44,253)
Other assets	21,785	(14,982)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(45,046)	16,689
Other liabilities	13,531	24,971
Net cash provided by operating activities	<u>234,336</u>	<u>338,241</u>
Investing activities:		
Additions to property, plant and mine development	(329,374)	(271,063)
Repayments from (advances to) Batu Hijau	8,780	(111,488)
Repayments from joint ventures and affiliates	—	16,440
Cash effect of affiliate merger	—	(54,700)
Proceeds from asset sales and other	2,073	(3,671)
Net cash used in investing activities	<u>(318,521)</u>	<u>(424,482)</u>
Financing activities:		
Repayment of short-term borrowings	(10,000)	—
Proceeds from long-term borrowings	1,013,550	384,000
Repayments of long-term borrowings	(931,196)	(342,971)
Decrease in restricted cash	40,000	—
Dividends paid on common and preferred stock	(23,219)	(20,724)
Other	5,845	(938)
Net cash provided by financing activities	<u>94,980</u>	<u>19,367</u>
Effect of exchange rate changes on cash	<u>2,163</u>	<u>3,572</u>
Net change in cash and cash equivalents	12,958	(63,302)
Cash and cash equivalents at beginning of period	<u>77,558</u>	<u>122,832</u>
Cash and cash equivalents at end of period	<u>\$ 90,516</u>	<u>\$ 59,530</u>
Supplemental information:		
Interest paid, net of amounts capitalized of \$9,523 and \$4,039, respectively	\$ 60,449	\$ 77,387
Income taxes paid	\$ 56,379	\$ 67,370

See Notes to Consolidated Financial Statements