NEWMONT MINING CORP /DE/
Form 10-K
February 21, 2017
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

Form 10-K

(Mark One)

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

For the Fiscal Year Ended December 31, 2016

or

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

For the transition period from to

Commission File Number: 001-31240

NEWMONT MINING CORPORATION

(Exact name of registrant as specified in its charter)

Delaware (State or Other Jurisdiction of Incorporation or Organization)	84-1611629 (I.R.S. Employer Identification No.) 80111

6363 South Fiddler's Green Circle (Zip Code)
Greenwood Village, Colorado
(Address of Principal Executive Offices)
Registrant's telephone number, including area code (303) 863-7414

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, $1.60 par value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

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Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes No

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

At June 30, 2016, the aggregate market value of the registrant's voting and non-voting common equity held by non-affiliates of the registrant was $20,723,861,389 based on the closing sale price as reported on the New York Stock Exchange. There were 531,149,818 shares of common stock outstanding on February 14, 2017.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of Registrant's definitive Proxy Statement submitted to the Registrant's stockholders in connection with our 2017 Annual Stockholders Meeting to be held on April 20, 2017, are incorporated by reference into Part III of this report.

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PART I

ITEM 1.BUSINESS (dollars in millions, except per share, per ounce and per pound amounts)

Introduction

Newmont Mining Corporation is primarily a gold producer with significant operations and/or assets in the United States, Australia, Peru, Ghana and Suriname. At December 31, 2016, Newmont had attributable proven and probable gold reserves of 68.5 million ounces and an aggregate land position of approximately 23,000 square miles (59,000 square kilometers). Newmont is also engaged in the production of copper, principally through Boddington in Australia and Phoenix in the United States. Newmont Mining Corporation's original predecessor corporation was incorporated in 1921 under the laws of Delaware.

On November 2, 2016, Newmont completed the sale of its 48.5% economic interest in PT Newmont Nusa Tenggara ("PTNNT"), which operated 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. In the following discussion, we present and discuss our continuing operations unless otherwise indicated. For additional information regarding our discontinued operations, see Note 3 to the Consolidated Financial Statements and the discussion in our Results of Consolidated Operations in Item 7.

Newmont's corporate headquarters are in Greenwood Village, Colorado, USA. In this report, "Newmont," the "Company," "our" and "we" refer to Newmont Mining Corporation together with our affiliates and subsidiaries, unless the context otherwise requires. References to "A$" refer to Australian currency.

Newmont's Sales and long-lived assets for continuing operations are geographically distributed as follows:

	Sales						Long-Lived Assets					
	2016		2015		2014		2016		2015		2014	
United States	39	%	33	%	30	%	45	%	43	%	38	%
Australia	32	%	32	%	30	%	19	%	18	%	19	%
Ghana	15	%	15	%	17	%	16	%	16	%	17	%
Peru	12	%	18	%	18	%	14	%	19	%	23	%
Suriname	2	%	—	%	—	%	6	%	4	%	2	%
Other	—	%	2	%	5	%	—	%	—	%	1	%

Segment Information

Our regions include North America, South America, Asia Pacific, and Africa. Our North America segment consists primarily of Carlin, Phoenix, Twin Creeks and Long Canyon in the state of Nevada and Cripple Creek &Victor ("CC&V") in the state of Colorado, in the United States. Our South America segment consists primarily of Yanacocha in Peru and Merian in Suriname. Our Asia Pacific segment consists primarily of Boddington, Tanami and Kalgoorlie in Australia. Our Africa segment consists primarily of Ahafo and Akyem in Ghana. See Item 1A, Risk Factors, below, and Note 5 to the Consolidated Financial Statements for information relating to our operating segments, domestic and export sales and lack of dependence on a limited number of customers.

Products

References in this report to "attributable gold ounces" or "attributable copper pounds" mean that portion of gold or copper produced, sold or included in proven and probable reserves based on our proportionate ownership, unless otherwise noted.

Gold

General. We had consolidated gold production from continuing operations of 5.2 million ounces (4.9 million attributable ounces) in 2016, 5.0 million ounces (4.6 million attributable ounces) in 2015 and 5.2 million ounces (4.7 million attributable ounces) in 2014. Of our 2016 consolidated gold production, approximately 39% came from North America, 14% from South America, 31% from Asia Pacific and 16% from Africa.

For 2016, 2015 and 2014, 96%, 95% and 95%, respectively, of our Sales were attributable to gold. Most of our Sales come from the sale of refined gold. The end product at our gold operations, however, 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

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of 99.95% gold. Under the terms of our refining agreements, the doré bars are refined for a fee, and our share of the refined gold and the separately-recovered silver is credited to our account or delivered to buyers. A portion of gold sold from Boddington and Kalgoorlie in Australia and Phoenix in Nevada is sold in a concentrate containing other metals such as copper and silver.

Gold Uses. Gold generally is used for fabrication or investment. Fabricated gold has a variety of end uses, including jewelry, electronics, dentistry, industrial and decorative uses, medals, medallions and official coins. Gold investors buy gold bullion, official coins and jewelry.

Gold Supply. A combination of mine production, recycling and draw-down of existing gold stocks held by governments, financial institutions, industrial organizations and private individuals make up the annual gold supply. Based on public information available, for the years 2014 through 2016, mine production has averaged approximately 70% of the annual gold supply.

Gold Price. The following table presents the annual high, low and average daily afternoon LBMA Gold Price over the past ten years on the London Bullion Market ($/ounce):

Year	High	Low	Average
2007	$ 841	$ 608	$ 695
2008	$ 1,011	$ 713	$ 872
2009	$ 1,213	$ 810	$ 972
2010	$ 1,421	$ 1,058	$ 1,225
2011	$ 1,895	$ 1,319	$ 1,572
2012	$ 1,792	$ 1,540	$ 1,669
2013	$ 1,694	$ 1,192	$ 1,411
2014	$ 1,385	$ 1,142	$ 1,266
2015	$ 1,296	$ 1,049	$ 1,160
2016	$ 1,366	$ 1,077	$ 1,251
2017 (through February 14, 2017)	$ 1,242	$ 1,151	$ 1,203

Source: London Bullion Market Association

On February 14, 2017, the afternoon fixing gold price on the London Bullion Market was $1,231 per ounce.

We generally sell our gold at the prevailing market price during the month in which the gold is delivered to the buyers. We recognize revenue from a sale when the price is determinable, the gold has been loaded on a vessel or received by the smelter, the title has been transferred and collection of the sales price is reasonably assured.

Copper

General. We had consolidated copper production from continuing operations of 119 million pounds in 2016, 125 million pounds in 2015 and 115 million pounds in 2014. Copper sales are in the form of concentrate that is sold to smelters for further treatment and refining, and cathode. For 2016, 2015 and 2014, 4%, 5% and 5%, respectively, of our Sales were attributable to copper. Of our 2016 consolidated copper production, approximately 34% came from North America and 66% from Asia Pacific.

Copper Uses. Refined copper is incorporated into wire and cable products for use in the construction, electric utility, communications and transportation industries. Copper is also used in industrial equipment and machinery, consumer products and a variety of other electrical and electronic applications and is also used to make brass. Copper substitutes include aluminum, plastics, stainless steel and fiber optics. Refined, or cathode, copper is also an internationally traded commodity.

Copper Supply. A combination of mine production and recycled scrap material make up the annual copper supply. Mine production since 2014 has accounted for over 80% of total refined production.

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Copper Price. The copper price is quoted on the London Metal Exchange in terms of dollars per metric ton of high grade copper. The following table presents the dollar per pound equivalent of the annual high, low and average daily prices of high grade copper on the London Metal Exchange over the past ten years ($/pound):

Year	High	Low	Average
2007	$ 3.77	$ 2.37	$ 3.23
2008	$ 4.08	$ 1.26	$ 3.15
2009	$ 3.33	$ 1.38	$ 2.34
2010	$ 4.42	$ 2.76	$ 3.42
2011	$ 4.60	$ 3.08	$ 4.00
2012	$ 3.93	$ 3.29	$ 3.61
2013	$ 3.74	$ 3.01	$ 3.32
2014	$ 3.37	$ 2.86	$ 3.11
2015	$ 2.92	$ 2.05	$ 2.49
2016	$ 2.69	$ 1.96	$ 2.21
2017 (through February 14, 2017)	$ 2.79	$ 2.49	$ 2.63

Source: London Metal Exchange

On February 14, 2017, the high grade copper closing price on the London Metal Exchange was $2.79 per pound.

We generally sell our copper concentrate based on the monthly average market price for the third month following the month in which the delivery to the smelter takes place. We recognize revenue from a sale when the price is determinable, the concentrate has been loaded on a vessel or received by the smelter, the title has been transferred and collection of the sales price is reasonably assured. For revenue recognition, we use a provisional price based on the estimated forward price of the month of final settlement. The copper concentrate is marked to market through earnings as an adjustment to revenue until final settlement.

We generally sell our copper cathode based on the weekly average market price for the week following production. Title is transferred upon loading of the buyer’s truck.

Gold and Copper Processing Methods

Gold is extracted from naturally-oxidized ores by either milling or heap leaching, depending on the amount of gold contained in the ore, the amenability of the ore to treatment and related capital and operating costs. Higher grade oxide

ores are generally processed through mills, where the ore is ground into a fine powder and mixed with water into a slurry, which then passes through a carbon-in-leach circuit. Lower grade oxide ores are generally processed using heap leaching. Heap leaching consists of stacking crushed or run-of-mine ore on impermeable pads, where a weak cyanide solution is applied to the surface of the heap to dissolve the gold. In both cases, the gold-bearing solution is then collected and pumped to process facilities to remove the gold by collection on carbon or by zinc precipitation.

Gold contained in ores that are not naturally-oxidized can be directly milled if the gold is liberated and amenable to cyanidation, generally known as free milling ores. Ores that are not amenable to cyanidation, known as refractory ores, require more costly and complex processing techniques than oxide or free milling ore. Higher grade refractory ores are processed through either roasters or autoclaves. Roasters heat finely ground ore to a high temperature, burn off the carbon and oxidize the sulfide minerals that prevent efficient leaching. Autoclaves use heat, oxygen and pressure to oxidize sulfide ores.

Some gold sulfide ores may be processed through a flotation plant or by bio-milling. In flotation, ore is finely ground, turned into slurry, then placed in a tank known as a flotation cell. Chemicals are added to the slurry causing the gold-containing sulfides to attach to air bubbles and float to the top of the tank. The sulfides are removed from the cell and converted into a concentrate that can then be processed in an autoclave or roaster to recover the gold. Bio-milling incorporates patented technology that involves inoculation of suitable crushed ore on an impermeable leach pad with naturally occurring bacteria strains, which oxidize the sulfides over a period of time. The ore is then processed through an oxide mill.

At Phoenix and Boddington, ore containing copper and gold is crushed to a coarse size at the mine and then transported via conveyor to a process plant, where it is further crushed and then finely ground as a slurry. The ore is initially treated by successive stages of flotation resulting in a copper/gold concentrate containing approximately 15% to 20% copper. Flotation concentrates are also processed via a gravity circuit to recover fine liberated gold and then dewatered and stored for loading onto ships or rail for transport to smelters. The flotation tailings have a residual gold content that is recovered in a carbon-in-leach circuit.

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In addition, at Phoenix, 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 impermeable, 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 ("EW") process. Cathodes produced in electrowinning are 99.99% copper.

Hedging Activities

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

For additional information, see Hedging in Item 7A, Quantitative and Qualitative Disclosures about Market Risk, and Note 17 to the Consolidated Financial Statements.

Gold, Copper and Silver Reserves

At December 31, 2016, we had 68.5 million attributable ounces of proven and probable gold reserves. The decrease in proven and probable gold reserves during 2016, compared to 2015, is due to depletion of 6.0 million ounces, divestments of 2.3 million ounces and discontinued operations of 0.3 million ounces, partially offset by net revisions and additions of 3.4 million ounces. Reserves at December 31, 2016 were calculated at a gold price assumption of $1,200 or A$1,600 per ounce. A reconciliation of the changes in attributable proven and probable gold reserves during the past three years is as follows:

	Years Ended December 31,		
	2016	2015	2014
(millions of ounces)			
Opening balance (1)	73.7	81.6	87.7
Depletion	(6.0)	(6.0)	(5.3)
Revisions and additions, net (2)	3.4	(4.9)	1.8
Acquisitions (3)	—	4.0	—

Divestments (4)	(2.3)	(0.3)	(2.5)
Discontinued operations (5)	(0.3)	(0.7)	(0.1)
Closing balance (6)	68.5	73.7	81.6

A reconciliation of the changes in attributable proven and probable gold reserves for 2016 by region is as follows:

	North America	South America	Asia Pacific	Africa
(millions of ounces)				
Opening balance (1)	32.4	6.4	22.0	12.9
Depletion	(2.7)	(0.6)	(1.9)	(0.8)
Revisions and additions, net (2)	(0.8)	0.7	2.8	0.7
Divestments (4)	—	—	(2.3)	—
Discontinued operations (5)	—	—	(0.3)	—
Closing balance	28.9	6.5	20.3	12.8

(1) The opening balances include 2.6 million, 3.3 million and 3.4 million ounces of gold reserves in 2016, 2015, 2014, respectively, related to Batu Hijau. For further information regarding our discontinued operations, see Note 3 to the Consolidated Financial Statements.

(2) Revisions and additions are due to reserve conversions, reclassification of reserves to mineralized material, optimizations, model updates, metal price changes and updated operating costs and recoveries. The gold price assumption remained at $1,200 per ounce in 2016. The gold price assumption was decreased from $1,300 to $1,200 per ounce in 2015. The gold price assumption remained at $1,300 per ounce in 2014. The impact of the change in gold price assumption decreased reserves by 2.9 million ounces in 2015. Additionally, reserve balances reported for Conga in 2014 were reclassified to mineralized material in 2015.

(3) Acquisitions include the CC&V gold mining business which the Company acquired on August 3, 2015. CC&V added 3.8 million ounces, net of production ounces, to proven and probable gold reserves in 2015.

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(4) Divestments are related to (i) the sale of Batu Hijau, which the Company sold on November 2, 2016, (ii) the sale of the Waihi mine in 2015 and (iii) the sales of Midas, Jundee and La Herradura in 2014. We also decreased our interest in Merian from 80% in 2013 to 75% in 2014.

(5) Amounts relate to depletion, revisions and additions activity at Batu Hijau (previously included in the Asia Pacific region), which was sold on November 2, 2016 and classified as discontinued operations. For further information regarding our discontinued operations, see Note 3 to the Consolidated Financial Statements.

(6) The closing balances include 2.6 million and 3.3 million ounces of gold reserves in 2015 and 2014, respectively, related to Batu Hijau. For further information regarding our discontinued operations, see Note 3 to the Consolidated Financial Statements.

At December 31, 2016, we had 2,490 million attributable pounds of proven and probable copper reserves. The decrease in proven and probable copper reserves during 2016, compared to 2015, is due to divestments of 2,390 million pounds, net revisions and additions of 400 million pounds, discontinued operations of 220 million pounds and depletion of 170 million pounds. Reserves at December 31, 2016 were calculated at a copper price of $2.50 or A$3.35 per pound. A reconciliation of the changes in attributable proven and probable copper reserves during the past three years is as follows:

	Years Ended December 31,		
	2016	2015	2014
(millions of pounds)			
Opening balance (1)	5,670	7,930	8,130
Depletion	(170)	(110)	(170)
Revisions and additions, net (2)	(400)	(1,610)	120
Divestments (3)	(2,390)	—	—
Discontinued operations (4)	(220)	(540)	(150)
Closing balance (5)	2,490	5,670	7,930

A reconciliation of changes in attributable proven and probable copper reserves for 2016 by region is as follows:

	North America	Asia Pacific
(millions of pounds)		
Opening balance (1)	1,750	3,920
Depletion	(70)	(100)
Revisions and additions, net (2)	(420)	20
Divestments (3)	—	(2,390)
Discontinued operations (4)	—	(220)
Closing balance	1,260	1,230

(1)

The opening balances include 2,610 million, 3,150 million and 3,300 million pounds of copper reserves in 2016, 2015, 2014, respectively, related to Batu Hijau. For further information regarding our discontinued operations, see Note 3 to the Consolidated Financial Statements.

(2) Revisions and additions are due to reserve conversions, reclassification of reserves to mineralized material, optimizations, model updates, metal price changes and updated operating costs and recoveries. The copper price assumption was decreased from $2.75 to $2.50 per pound in 2016 and from $3.00 to $2.75 per pound in 2015. The copper price assumption remained at $3.00 per pound in 2014. The impact of the change in copper price assumption decreased reserves by 270 million and 150 million pounds in 2016 and 2015, respectively. Additionally, reserve balances reported for Conga in 2014 were reclassified to mineralized material in 2015.

(3) Divestments are related to the sale of Batu Hijau, which the Company sold on November 2, 2016.

(4) Amounts relate to depletion, revisions and additions activity at Batu Hijau (previously included in the Asia Pacific region), which was sold on November 2, 2016 and classified as discontinued operations. For further information regarding our discontinued operations, see Note 3 to the Consolidated Financial Statements.

(5) The closing balances include 2,610 million and 3,150 million pounds of copper reserves in 2015 and 2014, respectively, related to Batu Hijau. For further information regarding our discontinued operations, see Note 3 to the Consolidated Financial Statements.

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Silver reserves are generally a by-product of gold and/or copper reserves and are included in calculations for mine planning and operations. At December 31, 2016, we had 89.3 million ounces of attributable proven and probable silver reserves. The decrease in proven and probable silver reserves during 2016, compared to 2015, is due to divestments of 7.9 million ounces, depletion of 7.6 million ounces, net revisions and additions of 7.4 million ounces and discontinued operations of 1.1 million ounces. Reserves at December 31, 2016 were calculated at a silver price of $17 per ounce. A reconciliation of the changes in proven and probable silver reserves during the past three years is as follows:

	Years Ended December 31,		
	2016	2015	2014
(millions of ounces)			
Opening balance (1)	113.3	143.6	153.0
Depletion	(7.6)	(7.0)	(4.9)
Revisions and additions, net (2)	(7.4)	(21.1)	(1.4)
Divestments (3)	(7.9)	—	(2.6)
Discontinued operations (4)	(1.1)	(2.2)	(0.5)
Closing balance (5)	89.3	113.3	143.6

A reconciliation of the changes in attributable proven and probable silver reserves for 2016 by region is as follows:

	North America	South America	Asia Pacific
(millions of ounces)			
Opening balance (1)	73.5	30.8	9.0
Depletion	(3.5)	(4.1)	—
Revisions and additions, net (2)	(9.1)	1.7	—
Divestments (3)	—	—	(7.9)
Discontinued operations (4)	—	—	(1.1)
Closing balance	60.9	28.4	—

(1) The opening balances include 9.0 million, 11.2 million and 11.7 million ounces of silver reserves in 2016, 2015, 2014, respectively, related to Batu Hijau. For further information regarding our discontinued operations, see Note 3 to the Consolidated Financial Statements.

(2) Revisions and additions are due to reserve conversions, reclassification of reserves to mineralized material, optimizations, model updates, metal price changes and updated operating costs and recoveries. The silver price assumption was decreased from $19 to $17 per ounce in 2016 and from $20 to $19 per ounce in 2015. The silver price assumption remained at $20 per ounce in 2014. The impact of the change in silver price assumption decreased reserves by 11 million and 9 million ounces in 2016 and 2015, respectively. Additionally, reserve balances reported for Conga in 2014 were reclassified to mineralized material in 2015.

(3)

Divestments are related to (i) the sale of Batu Hijau, which the Company sold on November 2, 2016 and (ii) the sale of Midas in 2014.

(4) Amounts relate to depletion, revisions and additions activity at Batu Hijau (previously included in the Asia Pacific region), which was sold on November 2, 2016 and classified as discontinued operations. For further information regarding our discontinued operations, see Note 3 to the Consolidated Financial Statements.

(5) The closing balances include 9.0 million and 11.2 million ounces of silver reserves in 2015 and 2014, respectively, related to Batu Hijau. For further information regarding our discontinued operations, see Note 3 to the Consolidated Financial Statements.

Our exploration efforts are directed to the discovery of new mineralized material and converting it into proven and probable reserves. We conduct brownfield exploration around our existing mines and greenfield exploration in other regions globally. Brownfield exploration can result in the discovery of additional deposits, which may receive the economic benefit of existing operating, processing and administrative infrastructures. In contrast, the discovery of mineralization through greenfield exploration efforts will require capital investment to build a stand-alone operation. Our Exploration expense was $148, $156 and $163 in 2016, 2015 and 2014, respectively.

For additional information, see Item 2, Properties, Proven and Probable Reserves.

Licenses and Concessions

Other than operating licenses for our mining and processing facilities, there are no third party patents, licenses or franchises material to our business. In many countries, however, we conduct our mining and exploration activities pursuant to concessions granted by, or under contracts with, the host government. These countries include, among others, the United States, Australia, Ghana, Peru and Suriname. The concessions and contracts are subject to the political risks associated with operations. See Item 1A, Risk Factors, below.

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Condition of Physical Assets and Insurance

Our business is capital intensive and requires ongoing capital investment for the replacement, modernization or expansion of equipment and facilities. For more information, see Liquidity and Capital Resources in Item 7, Management's Discussion and Analysis of Consolidated Financial Condition and Results of Operations, below.

We maintain insurance policies against property loss and business interruption and insure against risks that are typical in the operation of our business, in amounts that we believe to be reasonable. Such insurance, however, contains exclusions and limitations on coverage, particularly with respect to environmental liability and political risk. There can be no assurance that claims would be paid under such insurance policies in connection with a particular event. See Item 1A, Risk Factors, below.

Environmental Matters

Our United States mining and exploration activities are subject to various federal and state laws and regulations governing the protection of the environment, including the Clean Air Act; the Clean Water Act; the Comprehensive Environmental Response, Compensation and Liability Act; the Emergency Planning and Community Right-to-Know Act; the Endangered Species Act; the Federal Land Policy and Management Act; the National Environmental Policy Act; the Resource Conservation and Recovery Act; and related state laws. These laws and regulations are continually changing and are generally becoming more restrictive. Our activities outside the United States are also subject to various levels of governmental regulations for the protection of the environment and, in some cases, those regulations can be as, or more, restrictive than those in the United States.

We conduct our operations so as to protect public health and the environment and believe our operations are in compliance with applicable laws and regulations in all material respects. Each operating mine has a reclamation plan in place that meets in all material respects applicable legal and regulatory requirements. At December 31, 2016, $1,792 was accrued for reclamation costs relating to current or recently producing properties.

We are involved in several matters concerning environmental obligations associated with former, primarily historic, mining activities. Generally, these matters concern developing and implementing remediation plans at the various sites. Based upon our best estimate of our liability for these matters, $298 was accrued at December 31, 2016 for such obligations associated with properties previously owned or operated by us or our subsidiaries. The amounts accrued for these matters are reviewed periodically based upon facts and circumstances available at the time.

For a discussion of the most significant reclamation and remediation activities, see Item 7, Management's Discussion and Analysis of Consolidated Financial Condition and Results of Operations, and Note 6 and Note 29 to the Consolidated Financial Statements.

In addition to legal and regulatory compliance, we have developed complementary programs to guide our Company toward achieving transparent and sustainable environmental and socially responsible performance objectives. In support of our management's commitment towards these objectives, our corporate headquarters are located in an environmentally sustainable, Leadership in Energy and Environmental Design, gold-certified building. We are committed to managing climate change related risks and responsibly managing our greenhouse gas emissions. We have publicly reported our greenhouse gas emissions since 2004 to the Carbon Disclosure Project (now known only as "CDP"). Our greenhouse gas emissions are independently verified to satisfy all the requirements for emissions reporting under ISO International Standard 14064-3:2006. We actively participate in the International Council on Mining and Metals ("ICMM") and are committed to the ICMM's 10 Principles of Sustainable Development and its commitment to implement the UN Global Compact's 10 principles on human rights, bribery and corruption, labor and the environment. In 2016, all Newmont operated sites maintained their certification as ISO 14001 compliant except for two new mines commissioned in 2016: Merian in Suriname and Long Canyon in Nevada. Both of these operations will be certified as ISO 14001 compliant within the next three years. We transparently report on our sustainability performance in accordance with the Global Reporting Initiative ("GRI") guidelines, including the Mining and Metals Sector Supplement to meet the requirements of GRI Application Level A+. In 2016, for the second year in a row, Newmont was ranked by the Dow Jones Sustainability World Index ("DJSI World") as the mining industry's overall leader in sustainability. Newmont's inclusion on the index also marked the 10th consecutive year the company has been selected for the DJSI World. Newmont also received the highest score in the mining sector across a number of areas measured by the index including Occupational Health and Safety, Risk and Crisis Management; Climate Strategy; Environmental Policy and Management Systems; Water-related Risks; Asset Closure Management; and Corporate Citizenship and Philanthropy. As of the end of 2016, all of our sites were certified through the International Cyanide Management Code ("ICMC") or in the process for re-certification by independent auditors except for the two mines commissioned in 2016. Merian

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and Long Canyon, both commissioned in 2016, are planned to be audited for certification under the ICMC within one year of their commercial production dates.

Health and Safety

We conduct our operations so as to protect the health and safety ("H&S") of our employees and contractors and believe that our operations are in compliance with applicable laws and regulations in all material respects. In addition, the Company has an established Health & Safety Management System and Health & Safety Standards that in most cases exceed the regulatory requirements in the jurisdictions in which we operate. The quality of our Health & Safety Management System is audited regularly as part of our assurance and governance process.

The safety of our people and the communities in which we operate is our top priority with the right to life and right to safe working conditions among our most salient human rights. We strongly believe it is possible to effectively manage these risks so everyone returns home safely at the end of the day. To embed a culture of Zero Harm, Newmont has centered its H&S activities on four key focus areas: H&S leadership, fatality prevention, employee engagement and occupational health and wellness. Newmont has made significant progress through 2016 by decreasing injury rates by approximately 50%.

Managing fatality and health risks remains a core component of our H&S journey. Launched in 2016, our global Fatality Risk Management program focuses on identifying our top risks and developing more robust controls and systems to manage them and prevent fatalities. Elements of our fatality risk management program include clearly identifying critical controls, ensuring accountability for implementing controls, verifying them and reporting on the effectiveness of the controls. Also essential in preventing fatalities is conducting quality event investigations and ensuring lessons are truly learned and not just shared.

Engaging employees requires visible felt leadership and quality safety interactions. We are piloting a program in Australia where senior leaders use a coaching process to help their direct reports develop the skills needed to have productive interactions about safety behaviors and involve all team members in contributing to their safety.

We measure our H&S performance by leading indicators, such as safety interactions and implementation of effective critical controls, and by tracking lagging indicators, such as injury rates. All significant events are investigated, and lessons learned are shared with workers. Investigations and corrective actions to prevent recurrence related to serious potential and actual events are reported to the executive leadership team and the Board of Directors.

We are committed to learning from and sharing best practices with others. We actively participate in programs to improve our performance as members of the ICMM and the Mining Safety Roundtable. We also participate in regional H&S programs, such as the Western Australia Chamber of Minerals and Energy, the Ghana Chamber of Mines and the United States National Mining Association's CORESafety program.

Employees and Contractors

Approximately 12,400 people were employed by Newmont and Newmont subsidiaries at December 31, 2016. In addition, approximately 10,800 people were working as contractors in support of Newmont's operations at December 31, 2016.

Forward-Looking Statements

Certain statements contained in this report (including information incorporated by reference herein) are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and are intended to be covered by the safe harbor provided for under these sections. Words such as "expect(s)," "feel(s)," "believe(s)," "will," "may," "anticipate(s)," "estimate(s)," "should," "intend(s)" and similar expressions are intended to identify forward-looking statements. Our forward-looking statements may include, without limitation:

· estimates regarding future earnings and the sensitivity of earnings to gold, copper and other metal prices;

· estimates of future mineral production and sales;

· estimates of future production costs, other expenses and taxes for specific operations and on a consolidated basis;

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- estimates of future cash flows and the sensitivity of cash flows to gold and other metal prices;

- estimates of future capital expenditures, construction, production or closure activities and other cash needs, for specific operations and on a consolidated basis, and expectations as to the funding or timing thereof;

- estimates as to the projected development of certain ore deposits, including the timing of such development, the costs of such development and other capital costs, financing plans for these deposits and expected production commencement dates;

- estimates of reserves and statements regarding future exploration results and reserve replacement and the sensitivity of reserves to metal price changes;

- statements regarding the availability of, and terms and costs related to, future borrowing or financing and expectations regarding future debt repayments or debt tender transactions;

- estimates regarding future exploration expenditures, results and reserves;

- statements regarding fluctuations in financial and currency markets;

- estimates regarding potential cost savings, productivity, operating performance and ownership and cost structures;

- expectations regarding statements regarding future transactions, including, without limitation, statements related to future acquisitions and projected benefits, synergies and costs associated with acquisitions and related matters;

- expectations regarding the start-up time, design, mine life, production and costs applicable to sales and exploration potential of our projects;

- statements regarding future hedge and derivative positions or modifications thereto;

- statements regarding political, economic or governmental conditions and environments;

- statements regarding the impacts of changes in the legal and regulatory environment in which we operate;

- estimates of future costs, accruals for reclamation costs and other liabilities for certain environmental matters, including without limitation with respect to our Yanacocha operation;

- estimates of income taxes and expectations relating to tax contingencies or tax audits; and

- estimates of pension and other post-retirement costs.

Where we express an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, our forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by those forward-looking statements. Such risks include, but are not limited to:

- the price of gold, copper and other metal prices and commodities;

- the cost of operations;

- currency fluctuations;

- geological and metallurgical assumptions;

- operating performance of equipment, processes and facilities;

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- labor relations;
- timing of receipt of necessary governmental permits or approvals;
- domestic and foreign laws or regulations, particularly relating to the environment, mining and processing;
- changes in tax laws;
- domestic and international economic and political conditions;
- our ability to obtain or maintain necessary financing; and
- other risks and hazards associated with mining operations.

More detailed information regarding these factors is included in Item 1, Business; Item 1A, Risk Factors and elsewhere throughout this report. Many of these factors are beyond our ability to control or predict. Given these uncertainties, readers are cautioned not to place undue reliance on our forward-looking statements.

All subsequent written and oral forward-looking statements attributable to Newmont or to persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. We disclaim any intention or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

Available Information

Newmont maintains a website at www.newmont.com and makes available, through the Investor Relations section of the website, its Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, Section 16 filings and all amendments to those reports, as soon as reasonably practicable after such material is electronically filed with the Securities and Exchange Commission (“SEC”). Certain other information, including Newmont’s Corporate Governance Guidelines, the charters of key committees of its Board of Directors and its Code of Conduct are also available on the website.

ITEM 1A. RISK FACTORS (dollars in millions, except per share, per ounce and per pound amounts)

Our business activities are subject to significant risks, including those described below. You should carefully consider these risks. If any of the described risks actually occurs, our business, financial position and results of operations could be materially adversely affected. Such risks are not the only ones we face and additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business. This report contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors, including the risks described below. See “Forward-Looking Statements.”

Risks Related to Our Business

A substantial or extended decline in gold or copper prices would have a material adverse effect on Newmont.

Our business is dependent on the prices of gold and copper, which fluctuate on a daily basis and are affected by numerous factors beyond our control. Factors tending to influence prices include:

· Gold sales, purchases or leasing by governments and central banks;

· Speculative short positions taken by significant investors or traders in gold or copper;

· The relative strength of the U.S. dollar;

· The monetary policies employed by the world’s major Central Banks;

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- The fiscal policies employed by the world's major industrialized economies;
- Expectations of the future rate of inflation;
- Interest rates;
- Recession or reduced economic activity in the United States, China, India and other industrialized or developing countries;
- Decreased industrial, jewelry or investment demand;
- Increased import and export taxes;
- Increased supply from production, disinvestment and scrap;
- Forward sales by producers in hedging or similar transactions; and
- Availability of cheaper substitute materials.

Any decline in our realized gold or copper price adversely impacts our revenues, net income and operating cash flows, particularly in light of our strategy of not engaging in hedging transactions with respect to gold or copper sales. We have recorded asset impairments in the past and may experience additional impairments as a result of lower gold or copper prices in the future.

In addition, sustained lower gold or copper prices can:

- Reduce revenues further through production declines due to cessation of the mining of deposits, or portions of deposits, that have become uneconomic at sustained lower gold or copper prices;
- Reduce or eliminate the profit that we currently expect from ore stockpiles and ore on leach pads and increase the likelihood and amount that the Company might be required to record as an impairment charge related to the carrying value of its stockpiles;
- Halt or delay the development of new projects;

- Reduce funds available for exploration and advanced projects with the result that depleted reserves may not be replaced; and

- Reduce existing reserves by removing ores from reserves that can no longer be economically processed at prevailing prices.

We may be unable to replace gold and copper reserves as they become depleted.

Gold and copper producers must continually replace reserves depleted by production to maintain production levels over the long term and provide a return on invested capital. Depleted reserves can be replaced in several ways, including expanding known ore bodies, by locating new deposits or acquiring interests in reserves from third parties. Exploration is highly speculative in nature, involves many risks and uncertainties and is frequently unsuccessful in discovering significant mineralization. Accordingly, our current or future exploration programs may not result in new mineral producing operations. Even if significant mineralization is discovered, it will likely take many years from the initial phases of exploration until commencement of production, during which time the economic feasibility of production may change.

We may consider, from time to time, the acquisition of ore reserves from others related to development properties and operating mines. Such acquisitions are typically based on an analysis of a variety of factors including historical operating results, estimates of and assumptions regarding the extent of ore reserves, the timing of production from such reserves and cash and other operating costs. Other factors that affect our decision to make any such acquisitions may also include our assumptions for future gold or copper prices or other mineral prices and the projected economic returns and evaluations of existing or potential liabilities associated with the property and its operations and projections of how these may change in the future. In addition, in connection with any acquisitions we

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may rely on data and reports prepared by third parties (including ability to permit and compliance with existing regulations) and which may contain information or data that we are unable to independently verify or confirm. Other than historical operating results, all of these factors are uncertain and may have an impact on our revenue, our cash flow and other operating issues, as well as contributing to the uncertainties related to the process used to estimate ore reserves. In addition, there may be intense competition for the acquisition of attractive mining properties.

As a result of these uncertainties, our exploration programs and any acquisitions which we may pursue may not result in the expansion or replacement of our current production with new ore reserves or operations, which could have a material adverse effect on our business, prospects, results of operations and financial position.

Estimates of proven and probable reserves and mineralized material are uncertain and the volume and grade of ore actually recovered may vary from our estimates.

The reserves stated in this report represent the amount of gold and copper that we estimated, at December 31, 2016, could be economically and legally extracted or produced at the time of the reserve determination. Estimates of proven and probable reserves are subject to considerable uncertainty. Such estimates are, to a large extent, based on the prices of gold and copper and interpretations of geologic data obtained from drill holes and other exploration techniques, which data may not necessarily be indicative of future results. Producers use feasibility studies for undeveloped orebodies to derive estimates of capital and operating costs based upon anticipated tonnage and grades of ore to be mined and processed, the predicted configuration of the ore body, expected recovery rates of metals from the ore, the costs of comparable facilities, the costs of operating and processing equipment and other factors. Actual operating and capital cost and economic returns on projects may differ significantly from original estimates. Further, it may take many years from the initial phases of exploration until commencement of production, during which time, the economic feasibility of production may change.

Additionally, the term “mineralized material” does not indicate proven and probable reserves as defined by the Securities and Exchange Commission (“SEC”) or the Company’s standards. Estimates of mineralized material are subject to further exploration and development, and are, therefore, subject to considerable uncertainty. Despite the Company’s history of converting a substantial portion of mineralized material to reserves through additional drilling and study work, the Company cannot be certain that any part or parts of the mineralized material deposit will ever be confirmed or converted into SEC Industry Guide 7 compliant reserves or that mineralized material can be economically or legally extracted.

In addition, if the price of gold or copper declines from recent levels, if production costs increase or recovery rates decrease or if applicable laws and regulations are adversely changed, we can offer no assurance that the indicated level of recovery will be realized or that mineral reserves or mineralized material can be mined or processed profitably. If we determine that certain of our ore reserves have become uneconomic, this may ultimately lead to a reduction in our aggregate reported reserves and mineralized material. Consequently, if our actual mineral reserves and mineralized material are less than current estimates, our business, prospects, results of operations and financial

position may be materially impaired.

Increased operating and capital costs could affect our profitability.

Costs at any particular mining location are subject to variation due to a number of factors, such as variable ore grade, changing metallurgy and revisions to mine plans in response to the physical shape and location of the ore body, as well as the age and utilization rates for the mining and processing related facilities and equipment. In addition, costs are affected by the price and availability of input commodities, such as fuel, electricity, labor, chemical reagents, explosives, steel and concrete and mining and processing related equipment and facilities. Commodity costs are, at times, subject to volatile price movements, including increases that could make production at certain operations less profitable. Further, changes in laws and regulations can affect commodity prices, uses and transport. Reported costs may also be affected by changes in accounting standards. A material increase in costs at any significant location could have a significant effect on our profitability and operating cash flow.

We could have significant increases in capital and operating costs over the next several years in connection with the development of new projects in challenging jurisdictions and in the sustaining and/or expansion of existing mining and processing operations. Costs associated with capital expenditures may increase in the future as a result of factors beyond our control. Increased capital expenditures may have an adverse effect on the profitability of and cash flow generated from existing operations, as well as the economic returns anticipated from new projects.

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Estimates relating to new development projects are uncertain and we may incur higher costs and lower economic returns than estimated.

Mine development projects typically require a number of years and significant expenditures during the development phase before production is possible. Such projects could experience unexpected problems and delays during development, construction and mine start-up.

Our decision to develop a project is typically based on the results of feasibility studies, which estimate the anticipated economic returns of a project. The actual project profitability or economic feasibility may differ from such estimates as a result of any of the following factors, among others:

- Changes in tonnage, grades and metallurgical characteristics of ore to be mined and processed;
- Changes in input commodity and labor costs;
- The quality of the data on which engineering assumptions were made;
- Adverse geotechnical conditions;
- Availability of adequate and skilled labor force;
- Availability, supply and cost of water and power;
- Fluctuations in inflation and currency exchange rates;
- Availability and terms of financing;
- Delays in obtaining environmental or other government permits or approvals or changes in the laws and regulations related to our operations or project development;
- Changes in tax laws, the laws and/or regulations around royalties and other taxes due to the regional and national governments and royalty agreements;

- Weather or severe climate impacts, including, without limitation, prolonged or unexpected precipitation and/or sub-zero temperatures;

- Potential delays relating to social and community issues, including, without limitation, issues resulting in protests, road blockages or work stoppages; and

- Potential challenges to permits or other approvals or delays in development and construction of projects based on claims of disturbance of cultural resources.

Our future development activities may not result in the expansion or replacement of current production with new production, or one or more of these new production sites or facilities may be less profitable than currently anticipated or may not be profitable at all, any of which could have a material adverse effect on our results of operations and financial position.

We may experience increased costs or losses resulting from the hazards and uncertainties associated with mining.

The exploration for natural resources and the development and production of mining operations are activities that involve a high level of uncertainty. These can be difficult to predict and are often affected by risks and hazards outside of our control. These factors include, but are not limited to:

- Environmental hazards, including discharge of metals, concentrates, pollutants or hazardous chemicals;

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- Industrial accidents, including in connection with the operation of mining equipment, milling equipment and/or conveyor systems and accidents associated with the preparation and ignition of large-scale blasting operations, milling and processing;

- Accidents in connection with transportation, including transportation of chemicals, explosions or other materials, transportation of large mining equipment and transportation of employees and business partners to and from sites;

- Surface or underground fires or floods;

- Unexpected geological formations or conditions (whether in mineral or gaseous form);

- Ground and water conditions;

- Fall-of-ground accidents in underground operations;

- Failure of mining pit slopes and tailings dam walls;

- Seismic activity; and

- Other natural phenomena, such as lightning, cyclonic or tropical storms, floods or other inclement weather conditions, including those impacting operations or the ability to access and supply sites. For example, record rainfall at Tanami in late December 2016 and early 2017, impacted our ability to access the site and import fuel and is expected to impact production and exploration plans in the near-term.

The occurrence of one or more of these events in connection with our exploration activities and development and production of mining operations may result in the death of, or personal injury to, our employees, other personnel or third parties, the loss of mining equipment, damage to or destruction of mineral properties or production facilities, monetary losses, deferral or unanticipated fluctuations in production, environmental damage and potential legal liabilities, all of which may adversely affect our reputation, business, prospects, results of operations and financial position.

Our business is subject to the U.S. Foreign Corrupt Practices Act and other extraterritorial and domestic anti-bribery laws, a breach or violation of which could lead to civil and criminal fines and penalties, loss of licenses or permits and other collateral consequences and reputational harm.

We operate in certain jurisdictions that have experienced governmental and private sector corruption to some degree, and, in certain circumstances, compliance with anti-bribery laws and heightened expectations of enforcement authorities may be in tension with certain local customs and practices. For example, the U.S. Foreign Corrupt Practices Act and other laws with extraterritorial reach, including the U.K. Bribery Act, and anti-bribery laws in other jurisdictions in which we operate generally prohibit companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business or other commercial advantage. We have an ethics and compliance program which includes our Code of Conduct, Business Integrity Policy and other policies and standards, all of which mandate compliance with these anti-bribery laws by the Company and its subsidiaries and their personnel. Our program also includes a well-publicized hot line for raising issues and processes for investigating such issues and assurances of non-retaliation for persons who in good faith raise concerns. We report regularly to the Audit Committee of our Board of Directors on such programs. There can be no assurance that Newmont's internal control policies and procedures will always protect it from misinterpretation of or noncompliance with applicable laws and internal policies, recklessness, fraudulent behavior, dishonesty or other inappropriate acts committed by the Company's affiliates, employees, agents or associated persons for which we might be claimed to be responsible. As such, our corporate policies and processes may not prevent or detect all potential breaches of law or other governance practices. We occasionally identify or are apprised of information or allegations that certain employees, affiliates, agents or associated persons may have engaged in unlawful conduct for which we might be held responsible. Our policy when receiving credible information or allegations is to conduct internal investigations and compliance reviews to evaluate that information, determine compliance with applicable anti-bribery laws and regulations and company policies and take such remedial steps as may be warranted. In appropriate circumstances, we communicate with authorities in the United States and elsewhere about those investigations and reviews. For example, in connection with an ongoing investigation, conducted with the assistance of outside counsel, relating to certain business activities of the Company and its affiliates and contractors in countries outside the U.S., the Company is working with the U.S. SEC and the U.S. Department of Justice as disclosed in Note 29 to the Financial Statements under the heading "Commitments and Contingencies – Investigations." Violations of these laws, or allegations of such violations, could lead

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to substantial civil and criminal fines and penalties, litigation, loss of operating licenses or permits and other collateral consequences, and may damage the Company's reputation, which could have a material adverse effect on our business, financial position and results of operations or cause the market value of our common shares to decline.

Shortages of critical parts and equipment may adversely affect our operations and development projects.

The mining industry has been impacted, from time to time, by increased demand for critical resources such as input commodities, drilling equipment, trucks, shovels and tires. These shortages have, at times, impacted the efficiency of our operations, and resulted in cost increases and delays in construction of projects; thereby impacting operating costs, capital expenditures and production and construction schedules.

Mining companies are increasingly required to consider and provide benefits to the communities and countries in which they operate, and are subject to extensive environmental, health and safety laws and regulations.

As a result of public concern about the real or perceived detrimental effects of economic globalization and global climate impacts, businesses generally and large multinational corporations in natural resources industries, such as Newmont, in particular, face increasing public scrutiny of their activities. These businesses are under pressure to demonstrate that, as they seek to generate satisfactory returns on investment to shareholders, other stakeholders, including employees, governments, communities surrounding operations and the countries in which they operate, benefit and will continue to benefit from their commercial activities. Such pressures tend to be particularly focused on companies whose activities are perceived to have a high impact on their social and physical environment. The potential consequences of these pressures include reputational damage, legal suits, increasing social investment obligations to communities and pressure to increase taxes and royalties payable to governments.

In addition, our ability to successfully obtain key permits and approvals to explore for, develop and operate mines and to successfully operate near communities around the world will likely depend on our ability to develop, operate and close mines in a manner that is consistent with the creation of social and economic benefits in the surrounding communities, which may or may not be required by law. Our ability to obtain permits and approvals and to successfully operate near particular communities may be adversely impacted by real or perceived detrimental events associated with our activities or those of other mining companies affecting the environment, human health and safety of communities in which we operate. Delays in obtaining or failure to obtain government permits and approvals may adversely affect our operations, including our ability to explore or develop properties, commence production or continue operations. Key permits and approvals may be revoked or suspended or may be varied in a manner that adversely affects our operations, including our ability to explore or develop properties, commence production or continue operations.

Our exploration, development, mining and processing operations are subject to extensive laws and regulations governing worker health and safety and land use and the protection of the environment, which generally apply to air and water quality, protection of endangered, protected or other specified species, hazardous waste management and reclamation. For example, in May 2015, the U.S. Department of the Interior released a plan to protect the greater sage grouse, a species whose natural habitat is found across much of the western United States. The U.S. Department of the Interior's plan is intended to guide conservation efforts on approximately 70 million acres of national public lands, including in Nevada. No assurances can be made that restrictions relating to conservation will not have an adverse impact on our growth plans or not result in delays in project development, constraints on exploration and constraints on operations in impacted areas. During 2015, the U.S. Fish and Wildlife Service engaged in an extensive review and considered whether the greater sage grouse would be placed on the endangered species list under protection of the Endangered Species Act. In late 2015, it was determined that the greater sage grouse would not currently be placed on the endangered species list. In 2016 Newmont, the State of Nevada and federal agencies including the U.S. Fish and Wildlife Service agreed to a historic conservation agreement for 1.5 million acres of public and private lands managed by Newmont to protect and enhance the habitat of the greater sage grouse and other sagebrush ecosystem species. Nonetheless, federal land management agencies, including the U.S. Bureau of Land Management, have proposed additional land withdrawals which could limit development activities occurring on federal lands, which could also adversely impact our business.

Some of the countries in which we operate have implemented, and are developing, laws and regulations related to climate change and greenhouse gas emissions. We have made, and expect to make in the future, significant expenditures to comply with such laws and regulations. Compliance with these laws and regulations imposes substantial costs and burdens, and can cause delays in obtaining, or failure to obtain, government permits and approvals which may adversely impact our closure processes and operations.

Future changes in applicable laws, regulations, permits and approvals or changes in their enforcement or regulatory interpretation could substantially increase costs to achieve compliance, lead to the revocation of existing or future exploration or mining rights or otherwise have an adverse impact on our results of operations and financial position. For instance, the operation of

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our mines in the United States is subject to regulation by the Federal Mine Safety and Health Administration ("MSHA") under the Federal Mine Safety and Health Act of 1977 (the "Mine Act"). MSHA inspects our mines on a regular basis and issues various citations and orders when it believes a violation has occurred under the Mine Act. Over the past several years MSHA has significantly increased the numbers of citations and orders charged against mining operations and increased the dollar penalties assessed for citations issued. If MSHA inspections result in an alleged violation, we may be subject to fines, penalties or sanctions and our mining operations could be subject to temporary or extended closures. For example, in July 2015, the Company's Leeville operation received 103(k) orders resulting in a temporary shutdown of certain levels at Leeville, and in 2016, 103(k) orders were issued in connection with pit failures at the Silverstar pit of the Carlin operation resulting in temporary shutdowns. MSHA issued fines, penalties or sanctions and mandated temporary or extended closures could have an adverse effect on our results of operations and financial position. See Exhibit 95 to this report for additional information regarding certain MSHA orders and citations issued during the year ended December 31, 2016.

Increased global attention or regulation on consumption of water by industrial activities, as well as water quality discharge, and on restricting or prohibiting the use of cyanide and other hazardous substances in processing activities could similarly have an adverse impact on our results of operations and financial position due to increased compliance and input costs.

We have implemented a management system designed to promote continuous improvement in health and safety, environmental performance and community relations. However, our ability to operate, and thus, our results of operations and our financial position, could be adversely affected by accidents or events detrimental (or perceived to be detrimental) to the health and safety of our employees, the environment or the communities in which we operate.

Mine closure, reclamation and remediation costs for environmental liabilities may exceed the provisions we have made.

Natural resource extractive companies are required to close their operations and rehabilitate the lands that they mine in accordance with a variety of environmental laws and regulations. Estimates of the total ultimate closure and rehabilitation costs for gold and copper mining operations are significant and based principally on current legal and regulatory requirements and mine closure plans that may change materially. For example, we have conducted extensive remediation work at two inactive sites in the United States. We are conducting remediation activities at a third site in the United States, an inactive uranium mine and mill site formerly operated by a subsidiary of Newmont.

The laws and regulations governing mine closure and remediation in a particular jurisdiction are subject to review at any time and may be amended to impose additional requirements and conditions which may cause our provisions for environmental liabilities to be underestimated and could materially affect our financial position or results of operations. For a more detailed description of potential environmental liabilities, see the discussion in Environmental Matters in Note 29 to the Consolidated Financial Statements. In addition, regulators are increasingly requesting security in the form of cash collateral, credit, trust arrangements or guarantees to secure the performance of

environmental obligations, which could have an adverse effect on our financial position.

Any underestimated or unanticipated retirement and rehabilitation costs could materially affect our financial position, results of operations and cash flows. Environmental liabilities are accrued when they become known, are probable and can be reasonably estimated. Whenever a previously unrecognized remediation liability becomes known, or a previously estimated reclamation cost is increased, the amount of that liability and additional cost will be recorded at that time and could materially reduce our consolidated net income attributable to Newmont stockholders and potentially result in impairments.

For example, the Company recorded an increase to the reclamation obligation at Yanacocha for the fourth quarter of 2016 in connection with an update to the Yanacocha closure plan, resulting in an increase to the recorded asset retirement cost related to the producing areas of the mine and a non-cash charge to reclamation expense related to the areas of the mine no longer in production. The increase to the reclamation obligation is primarily due to higher estimated long-term water management costs, heap leach earthworks and related support activities. The Company is conducting a comprehensive study of the current Yanacocha long-term mining and closure plans as part of the requirement to submit an updated closure plan to Peruvian regulators every five years. The revised closure plan will be submitted to Peruvian regulators in the second half of 2017. The Company determined that an impairment indicator existed as a result of the updated Yanacocha closure plan and the related increases and recorded an impairment charge during the fourth quarter of 2016. For additional information regarding our review of the Yanacocha closure plan, see Note 6 to our Consolidated Financial Statements, and for further information regarding the impairment of long-lived assets recorded for Yanacocha as of December 31, 2016, see Note 7 to our Consolidated Financial Statements.

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Regulations and pending legislation governing issues involving climate change could result in increased operating costs which could have a material adverse effect on our business.

Producing gold is an energy-intensive business, resulting in a significant carbon footprint. Energy costs account for approximately twenty percent of our overall operating costs, with our principal energy sources being purchased electricity, diesel fuel, gasoline, natural gas and coal.

A number of governments or governmental bodies have introduced or are contemplating regulatory changes in response to the potential impacts of climate change that are viewed as the result of emissions from the combustion of carbon-based fuels. At the 21st Conference of the Parties of the United Nations Framework Convention on Climate Change (“UNFCC”) held in Paris in 2015, the Paris Agreement was adopted which was intended to govern emission reductions beyond 2020. The Paris Agreement went into effect in November 2016 when countries that produce at least 55% of the world's greenhouse gas emissions ratified the agreement. While there are no immediate impacts to business from the Paris Agreement, the goal of limiting global warming to “well below 2o C” will be taken up at national levels. Industrialized nations (e.g., Australia, United States) are likely to implement national emission reduction targets that require an investment shift towards low carbon technologies and systems, shifting away from coal and diesel power generation. The temperature change goal implies a move to net zero greenhouse gas emissions from energy use and industrial activities by 2050 to 2060. The relevant details of the shift towards low carbon technologies are defined in the national plans, which will need further definition in new rules from each country by 2020.

Some of the countries in which we operate have implemented, and are developing, laws and regulations related to climate change and greenhouse gas emissions. In December 2009, the United States Environmental Protection Agency (“EPA”) issued an endangerment finding under the U.S. Clean Air Act that current and projected concentrations of certain mixed greenhouse gases, including carbon dioxide, in the atmosphere threaten the public health and welfare. The United States is presently promulgating new EPA rules to reduce greenhouse gas emissions as a result of the endangerment finding and has a five-year plan to reduce emissions by 17% below 2005 levels by the year 2020. Additionally, the United States and China signed a bilateral agreement in November 2014 that committed the United States to reduce greenhouse gas emissions by an additional 26% to 28% below 2005 levels by the year 2025. To date, U.S. regulations do not impose carbon tax on our operations but may in the future. In Australia the Emissions Reduction Fund legislation, Safeguard Mechanism Rule 2015 came into effect on 1 July 2016. Facilities that exceed the baseline mandated by the law in future years are required to purchase Australian Carbon Credit Units (ACCUs). Our Tanami operation may exceed the baseline due to an expected increase in production in future years. The Safeguard Mechanism allows for a recalculation of the baseline emissions when there is a change in production output. This baseline recalculation for Tanami and submission to the regulator will be completed in 2017. If Tanami emissions do not fall below the recalculated baseline, it will have a cost impact on our business.

Legislation and increased regulation and requirements regarding climate change could impose increased costs on us, our venture partners and our suppliers, including increased energy, capital equipment, environmental monitoring and reporting and other costs to comply with such regulations. In August 2015, the EPA issued the final rules for the Clean Power Plan under Section 111(d) of the Clean Air Act. The Clean Power Plan is intended to reduce carbon

emissions through EPA mandated reduction targets for each state. Nevada regulatory authorities are currently preparing Nevada's plan to comply with the EPA reduction targets. Newmont's TS Power Plant is currently subject to the requirements of the Clean Power Plan and could possibly be impacted by such requirements depending upon the compliance plan adopted by Nevada and approved by the EPA. Until the timing, scope and extent of any future requirements becomes known, we cannot predict the effect on our financial condition, financial position, results of operations and ability to compete.

The potential physical impacts of climate change on our operations are highly uncertain, and would be particular to the geographic circumstances in areas in which we operate. These may include changes in rainfall and storm patterns and intensities, water shortages, changing sea levels and changing temperatures. Operations that rely on national hydro-electric grid power can be adversely affected by drought resulting in power load-shedding and lost production. These impacts may adversely impact the cost, production and financial performance of our operations.

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Our operations are subject to risks of doing business in multiple jurisdictions.

Exploration, development, production and mine closure activities are subject to regional, political, economic, community and other risks of doing business, including:

- Disadvantages of competing against companies from countries that are not subject to the rigorous laws and regulations of the U.S. or other jurisdictions, including without limitation, the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and the Dodd-Frank Act;

- Changes in laws or regulations in the jurisdictions in which we operate, including in changes resulting from changes in political administrations;

- Potential instability of foreign governments and changes in government policies, including relating to or in response to changes of U.S. laws or foreign policies;

- Royalty and tax increases or claims, including retroactive increases and claims and requests to renegotiate terms of existing investment agreements, contracts of work, leases, royalties and taxes, by governmental entities, including such increases, claims and/or requests by the governments of Australia, Ghana, Peru, Suriname, the State of Colorado and the State of Nevada in the U.S.;

- Increases in training and other costs and challenges relating to requirements by governmental entities to employ the nationals of the country in which a particular operation is located;

- Delays in obtaining or renewing collective bargaining or certain labor agreements;

- Delays in obtaining or renewing, or the inability to obtain, maintain or renew, necessary governmental permits, mining or operating leases and other agreements and/or approvals;

- Claims for increased mineral royalties or ownership interests by local or indigenous communities;

- Expropriation or nationalization of property;

- Currency fluctuations, particularly in countries with high inflation;

- Foreign exchange controls;

- Restrictions on the ability of local operating companies to sell gold offshore for U.S. dollars, or on the ability of such companies to hold U.S. dollars or other foreign currencies in offshore bank accounts;

- Import and export regulations, including restrictions on the export of gold and/or copper;

- Increases in costs relating to, or restrictions or prohibitions on, the use of ports for concentrate storage and shipping, such as in relation to our Boddington operation where use of alternative ports is not currently economically feasible or in relation to our ability to procure economically feasible ports for developing projects;

- Restrictions on the ability to pay dividends offshore or to otherwise repatriate funds;

- Risk of loss due to civil strife, acts of war, guerrilla activities, insurrection and terrorism;

- Risk of loss due to criminal activities such as trespass, local artisanal or illegal mining, theft and vandalism;

- Risk of loss due to disease, such as malaria or the Zika virus, and other potential endemic health issues, such as Ebola;

- Disadvantage and risk of loss due to the limitations of certain local health systems and infrastructure to contain diseases and potential endemic health issues;

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- Risk of loss due to inability to access our properties or operations;

- Disadvantages relating to submission to the jurisdiction of foreign courts or arbitration panels or enforcement or appeals of judgments at foreign courts or arbitration panels against a sovereign nation within its own territory; and

- Other risks arising out of foreign sovereignty over the areas in which our operations are conducted, including risks inherent in contracts with government owned entities such as unilateral cancellation or renegotiation of contracts, licenses or other mining rights.

Consequently, our exploration, development and production activities may be affected by these and other factors, many of which are beyond our control, some of which could materially adversely affect our financial position or results of operations.

Our operations at Yanacocha and the development of our Conga Project in Peru are subject to political and social unrest risks.

During the last several years, Minera Yanacocha S.R.L. (“Yanacocha”), in which we own a 51.35% interest, and whose properties include the mining operations at Yanacocha and the Conga Project in Peru, has been the target of local political and community protests, some of which blocked the road between the Yanacocha mine and Conga project complexes and the City of Cajamarca in Peru and resulted in vandalism and equipment damage. We cannot predict whether similar or more significant incidents will occur in the future. The recurrence of significant political or community opposition or protests could continue to adversely affect the Conga Project’s development and the continued operation of Yanacocha.

Construction activities on our Conga Project were suspended on November 30, 2011, at the request of Peru’s central government following increasing protests in Cajamarca by anti-mining activists led by the regional president. At the request of the Peruvian central government, the environmental impact assessment prepared in connection with the project, which was previously approved by the central government in October 2010, was reviewed by independent experts in an effort to resolve allegations around the environmental viability of Conga. This review concluded that the environmental impact assessment complied with international standards and provided some recommendations to improve water management. Yanacocha has focused on the construction of water reservoirs prior to the development of other project facilities. However, development of Conga is contingent upon generating acceptable project returns and getting local community and government support. 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 Conga, the Company has allocated its development capital to other projects in recent years. 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 an impairment.

The Central Government of Peru continued to support responsible mining as a vehicle for the growth and future development of Peru in 2016. However, we are unable to predict whether the Central government will continue to take similar positions in the future. The regional government of Cajamarca and other political parties actively opposed the Conga Project in the past. We are unable to predict the positions that will be taken in the future and whether such positions or changes in law will affect Yanacocha or Conga. Such changes may include increased labor regulations, environmental and other regulatory requirements, and additional taxes and royalties, as well as future protests, community demands and road blockages. We cannot predict future positions of either the Central or regional government on foreign investment, mining concessions, land tenure or other regulation. Any change in government positions or laws on these issues could adversely affect the assets and operations of Yanacocha or Conga, which could have a material adverse effect on our results of operations and financial position. Additionally, the inability to develop Conga or operate at Yanacocha could have an adverse impact on our growth and production in the region.

In addition, 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 2015, MINAM issued the final regulation that modified the water quality standards and extended the compliance deadline. This law provides 60 days to notify whether the Company is able to comply with the new standards and one year to submit a modification to the previously approved Environmental Impact Assessment. The submittal will be presented in February 2017. A total of up to four years are allowed for permitting, detailed engineering, and construction of water treatment facilities required for compliance with the new water quality standards. Yanacocha is currently assessing treatment options in connection with the new water quality standards. Those treatment options may result in increased costs. If Yanacocha is unsuccessful in designing, constructing and implementing effective treatment options in the next four years, it could result in potential

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fines and penalties relating to potential intermittent non-compliant exceedances. These impacts may adversely impact the future cost, production and financial performance of our operations in Peru.

Our Merian operation in Suriname is subject to political and economic risks.

We have an investment in Suriname. The current president and others, including a number of members of the current administration, have been named defendants in a trial in connection with the deaths of certain political opponents in a 1982 coup. Those proceedings were previously halted based upon an executive order. However, in January 2017, a court in Suriname directed that the trial be recommenced. That ruling is currently subject to appeal. We cannot predict the outcome of the pending appeal or the trial. However, these proceedings could result in civil and political instability, and heighten the risk of abrupt changes in the government and national policy impacting foreign investment and operators.

Operations in Suriname are governed by a mineral agreement with the government that establishes the terms and conditions under which Merian operations and development are conducted. No assurances can be made that the government will not request changes to the agreement in the future. While the government is generally considered by the Company to be mining friendly, it is possible that the current or future government may adopt substantially different policies, make changes in taxation treatment or regulations, take arbitrary action which might halt operations, increase costs, or otherwise impact mining and exploration rights and/or permits, any of which could have a material and adverse effect on the Company's future cash flows, earnings, results of operations and/or financial condition.

The government of Suriname exercised its option to participate in a fully-funded 25 percent equity ownership stake in Merian in November 2013. Suriname manages its participation through Staatsolie Maatschappij Suriname N.V. (“Staatsolie”), a Surinamese corporation that is wholly owned by the government. The Company can make no assurances that Staatsolie will have sufficient funds or borrowing ability in order to make their capital commitments in accordance with the terms of the partnership agreement. See the risk factor under the heading “Future funding requirements may affect our business” later in this section.

Artisanal and illegal miners have been active on, or adjacent to, the Merian mine in recent years. Illegal mining, which involves trespass into the development or operating area of the mine, is both a security and safety issue, which may present a security threat to property and human life. See the risk factor under the heading “Civil disturbances, criminal activities, including illegal mining, and artisanal mining, occurs on or adjacent to certain of our properties, which can disrupt business and expose the Company to liability” later in this section for addition information.

Our business depends on good relations with our employees.

Production at our mines is dependent upon the efforts of our employees and, consequently, our maintenance of good relationships with our employees. Due to union activities or other employee actions, we could experience labor disputes, work stoppages or other disruptions in production that could adversely affect us. At December 31, 2016, various unions represented approximately 27% of our employee work force worldwide. Following the expiration of the collective bargaining agreements with the workforce in Ghana in 2014, the 2014 wage negotiations with the union in connection with the collective bargaining process concluded in late 2015 through arbitration after a prolonged negotiation, and 2015 wage negotiations concluded in March 2016 after a prolonged negotiation. Negotiations relating to 2016 wages remain ongoing. The labor agreement in Peru will expire in February 2019, and the collective labor agreement in Nevada will expire in January 2019. A failure to successfully enter into new contracts could result in future labor disputes, work stoppages or other disruptions in production that could adversely affect our operations and financial performance. Suriname has a history of collective labor activity. While employees at the Merian mine are not currently unionized, we can provide no assurance that collective bargaining activity will not occur in the future. Any such unionization could result in similar risks as described above. There can be no assurance that any future disputes at the Company’s operations or projects will be resolved without disruptions.

Our Company and the mining industry are facing continued geotechnical challenges, which could adversely impact our production and profitability.

Newmont and the mining industry are facing continued geotechnical challenges due to the older age of certain of our mines and a trend toward mining deeper pits and more complex deposits. This leads to higher pit walls, more complex underground environments and increased exposure to geotechnical instability and hydrological impacts. As our operations are maturing, the open pits at many of our sites are getting deeper and we have experienced certain geotechnical failures at some of our mines, including, without limitation, at our operations in Australia, Nevada, Ghana, Peru and Colorado. For example in 2016, pit failures at the Silverstar pit of the Carlin operation resulted in temporary shutdowns and have impacted expected production. See also the risk factor

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under the heading “Mining companies are increasingly required to consider and provide benefits to the communities and countries in which they operate, and are subject to extensive environmental, health and safety laws and regulations” earlier in this section.

No assurances can be given that unanticipated adverse geotechnical and hydrological conditions, such as landslides and pit wall failures, will not occur in the future or that such events will be detected in advance. Geotechnical instabilities can be difficult to predict and are often affected by risks and hazards outside of our control, such as severe weather and considerable rainfall, which may lead to periodic floods, mudslides, wall instability and seismic activity, which may result in slippage of material.

Geotechnical failures could result in limited or restricted access to mine sites, suspension of operations, government investigations, increased monitoring costs, remediation costs, loss of ore and other impacts, which could cause one or more of our projects to be less profitable than currently anticipated and could result in a material adverse effect on our results of operations and financial position.

Currency fluctuations may affect our costs.

Currency fluctuations may affect the costs that we incur at our operations. Gold and copper are sold throughout the world based principally on the U.S. dollar price, but a portion of our operating expenses are incurred in local currencies. The appreciation of those local currencies against the U.S. dollar increases our costs of production in U.S. dollar terms at mines located outside the United States.

The foreign currency that primarily impacts our results of operations is the Australian dollar. We estimate that every $0.10 increase in the U.S. dollar/Australian dollar exchange rate increases annually the U.S. dollar Costs applicable to sales by approximately $79 for each ounce of gold sold from operations in Australia before taking into account the impact of currency hedging. The annual average Australian dollar exchange rate depreciated by approximately 17% from December 31, 2014 to December 31, 2015. The annual average Australian dollar exchange rate depreciated by approximately 1% from December 31, 2015 to December 31, 2016. We hedge a portion of our future forecasted Australian dollar denominated operating expenditures to reduce the variability of our Australian dollar exposure. At December 31, 2016, we had hedged 8% and 4% of our forecasted Australian denominated operating costs in 2017 and 2018, respectively. Our Australian dollar derivative programs will limit the benefit to Newmont of future decreases, if any, in the U.S. dollar/Australian dollar exchange rates. Due to the limited nature of the Company’s hedge program, increases to the Australian dollar/U.S. dollar exchange rate could result in increased costs.

Our business requires substantial capital investment and we may be unable to raise additional funding on favorable terms.

The construction and operation of potential future projects and various exploration projects will require significant funding. Our operating cash flow and other sources of funding may become insufficient to meet all of these requirements, depending on the timing and costs of development of these and other projects. As a result, new sources of capital may be needed to meet the funding requirements of these investments, fund our ongoing business activities and pay dividends. Our ability to raise and service significant new sources of capital will be a function of macroeconomic conditions, future gold and copper prices, our operational performance and our current cash flow and debt position, among other factors. In the event of lower gold and copper prices, unanticipated operating or financial challenges, or a further dislocation in the financial markets as experienced in recent years, our ability to pursue new business opportunities, invest in existing and new projects, fund our ongoing operations, retire or service all of our outstanding debt and pay dividends could be significantly constrained.

To the extent that we seek to expand our operations and increase our reserves through acquisitions, we may experience issues in executing acquisitions or integrating acquired operations.

From time to time, we examine opportunities to make selective acquisitions in order to provide increased returns to our shareholders and to expand our operations and reported reserves and, potentially, generate synergies. The success of any acquisition would depend on a number of factors, including, but not limited to:

- Identifying suitable candidates for acquisition and negotiating acceptable terms;

- Obtaining approval from regulatory authorities and potentially Newmont’s shareholders;

- Maintaining our financial and strategic focus and avoiding distraction of management during the process of integrating the acquired business;

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- Implementing our standards, controls, procedures and policies at the acquired business and addressing any pre-existing liabilities or claims involving the acquired business; and

- To the extent the acquired operations are in a country in which we have not operated historically, understanding the regulations and challenges of operating in that new jurisdiction.

There can be no assurance that we will be able to conclude any acquisitions successfully or that any acquisition will achieve the anticipated synergies or other positive results. Any material problems that we encounter in connection with such an acquisition could have a material adverse effect on our business, results of operations and financial position.

Our operations may be adversely affected by energy shortages.

Our mining operations and development projects require significant amounts of energy. Our principal energy sources are electricity, purchased petroleum products, natural gas and coal. Some of our operations are in remote locations requiring long distance transmission of power, and in some locations we compete with other companies for access to third party power generators or electrical supply networks. A disruption in the transmission of energy, inadequate energy transmission infrastructure or the termination of any of our energy supply contracts could interrupt our energy supply and adversely affect our operations.

We have periodically experienced power shortages in Ghana resulting primarily from drought, insufficient rainfall, unavailability of thermal plants, shortage of fuel or other circumstances, increasing demands for electricity and insufficient hydroelectric or other generating capacity which caused curtailment of production at our Ahafo and Akyem operations in 2015. In late January 2015, in response to power shortages in Ghana resulting from insufficient rainfall and thermal plant unavailability, the Government of Ghana imposed a country-wide power reduction and notified the mining industry of the need to reduce power usage by 33%. In order to address shutdowns and load shedding concerns, the Company engaged the power generating company and the Ministry of Power to produce alternative plans to help reduce our load shedding requirements. These alternative methods may cause increases in our diesel consumption and increase our costs. By year-end, the Company entered into a three-year power supply purchase agreement that provides the Company with a fixed percentage of power supply on a take-or-pay basis to reduce the potential future load reductions. Future power shortages or disruptions and increased costs may adversely affect our results of operations and financial position.

Continuation of our mining production is dependent on the availability of sufficient water supplies to support our mining operations.

Our mining operations require significant quantities of water for mining, ore processing and related support facilities. Our operations in North and South America and Australia are in areas where water is scarce and competition among users for continuing access to water is significant. Continuous production at our mines is dependent on our ability to maintain our water rights, claims and contracts and to defeat claims adverse to our current water uses in legal proceedings. Although each of our operations currently has sufficient water rights, claims and contracts to cover its operational demands, we cannot predict the potential outcome of pending or future legal proceedings relating to our water rights, claims, contracts and uses. Water shortages may also result from weather or environmental and climate impacts out of the Company's control. For example, the continuation of the below average rainfall or the occurrence of drought in southwest Australia could impact our raw water supply at Boddington. While we incorporated systems to address the impact of the dry season as part of our operating plans, we can make no assurances that those systems will be sufficient to address all shortages in water supply, which could result in production and processing interruptions. The loss of some or all water rights for any of our mines, in whole or in part, or shortages of water to which we have rights could require us to curtail or shut down mining production and could prevent us from pursuing expansion opportunities. Laws and regulations may be introduced in some jurisdictions in which we operate which could limit our access to sufficient water resources in our operations, thus adversely affecting our operations.

We are dependent upon information technology systems, which are subject to disruption, damage, failure and risks associated with implementation and integration.

We are dependent upon information technology systems in the conduct of our operations. Our information technology systems are subject to disruption, damage or failure from a variety of sources, including, without limitation, computer viruses, security breaches, cyber-attacks, natural disasters and defects in design. Cybersecurity incidents, in particular, are evolving and include, but are not limited to, malicious software, attempts to gain unauthorized access to data and other electronic security breaches that could lead to disruptions in systems, unauthorized release of confidential or otherwise protected information and the corruption of data. Various

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measures have been implemented to manage our risks related to information technology systems and network disruptions. However, given the unpredictability of the timing, nature and scope of information technology disruptions, we could potentially be subject to production downtimes, operational delays, the compromising of confidential or otherwise protected information, destruction or corruption of data, security breaches, other manipulation or improper use of our systems and networks or financial losses from remedial actions, any of which could have a material adverse effect on our cash flows, competitive position, financial condition or results of operations.

We could also be adversely affected by system or network disruptions if new or upgraded information technology systems are defective, not installed properly or not properly integrated into our operations. Various measures have been implemented to manage our risks related to the system implementation and modification, but system modification failures could have a material adverse effect on our business, financial position and results of operations and could, if not successfully implemented, adversely impact the effectiveness of our internal controls over financial reporting.

The occurrence of events for which we are not insured may affect our cash flow and overall profitability.

We maintain insurance policies that mitigate against certain risks related to our operations. This insurance is maintained in amounts that we believe are reasonable depending upon the circumstances surrounding each identified risk. However, we may elect not to have insurance for certain risks because of the high premiums associated with insuring those risks or for various other reasons; in other cases, insurance may not be available for certain risks. Some concern always exists with respect to investments in parts of the world where civil unrest, war, nationalist movements, political violence or economic crises are possible. These countries may also pose heightened risks of expropriation of assets, business interruption, increased taxation or unilateral modification of concessions and contracts. We do not maintain insurance policies against political risk. Occurrence of events for which we are not insured may affect our results of operations and financial position.

We rely on contractors to conduct a significant portion of our operations and construction projects.

A significant portion of our operations and construction projects are currently conducted in whole or in part by contractors. As a result, our operations are subject to a number of risks, some of which are outside our control, including:

· Negotiating agreements with contractors on acceptable terms;

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The inability to replace a contractor and its operating equipment in the event that either party terminates the agreement;

- Reduced control over those aspects of operations which are the responsibility of the contractor;

- Failure of a contractor to perform under its agreement;

- Interruption of operations or increased costs in the event that a contractor ceases its business due to insolvency or other unforeseen events;

- Failure of a contractor to comply with applicable legal and regulatory requirements, to the extent it is responsible for such compliance; and

- Problems of a contractor with managing its workforce, labor unrest or other employment issues.

In addition, we may incur liability to third parties as a result of the actions of our contractors. The occurrence of one or more of these risks could adversely affect our results of operations and financial position.

We are subject to litigation and may be subject to additional litigation in the future.

We are currently, and may in the future become, subject to litigation, arbitration or other legal proceedings with other parties. If decided adversely to Newmont, these legal proceedings, or others that could be brought against us in the future, could have a material adverse effect on our financial position or prospects. For a more detailed discussion of pending litigation, see Note 29 to our Consolidated Financial Statements.

In the event of a dispute arising at our foreign operations, we may be subject to the exclusive jurisdiction of foreign courts or arbitral panels, or may not be successful in subjecting foreign persons to the jurisdiction of courts or arbitral panels in the United

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States. Our inability to enforce our rights and the enforcement of rights on a prejudicial basis by foreign courts or arbitral panels could have an adverse effect on our results of operations and financial position.

Title to some of our properties may be defective or challenged.

Although we have conducted title reviews of our properties, title review does not preclude third parties from challenging our title or related property rights. While we believe that we have satisfactory title to our properties, some titles may be defective or subject to challenge. For example, at our Conga project in Peru, we continue to seek resolution to a land dispute with local residents. In addition, certain of our Australian properties could be subject to native title or traditional landowner claims, and our ability to use these properties is dependent on agreements with traditional owners of the properties. A determination of defective title or restrictions in connection with a challenge to title rights could impact our ability to develop and operate at certain properties, which could have an adverse effect on our results of operations and financial position. For more information regarding native title or traditional landowner claims, see the discussion under the Asia Pacific Section of Item 2, Properties, in this report.

Civil disturbances, criminal activities, including illegal mining, and artisanal mining, occurs on or adjacent to certain of our properties, which can disrupt business and expose the Company to liability.

Civil disturbances and criminal activities such as trespass, illegal mining, sabotage, theft and vandalism may cause disruptions and could result in the suspension of operations and development at certain sites. Incidents of such activities have occasionally led to conflict with security personnel and/or police, which in some cases resulted in injuries including in Peru and Suriname. Although security measures have been implemented by the Company to protect employees, property and assets, such measures will not guarantee that such incidents will not continue to occur in the future, or result in harm to employees or trespassers, decrease operational efficiency or construction delays, increase community tensions or result in liabilities. The manner in which the Company’s personnel, national police or other security forces respond to civil disturbances and criminal activities can give rise to additional risks where those responses are not conducted in a manner consistent with international and Newmont standards relating to the use of force and respect for human rights. Newmont takes seriously our obligation to respect and promote human rights, is a signatory to and active participant in the Voluntary Principles on Security and Human Rights, and has adopted a Sustainability and Stakeholder Engagement Policy and Human Rights Standard in-line with the UN Guiding Principles on Business and Human Rights due diligence processes. Nonetheless, although the Company has implemented a number of significant measures and safeguards which are intended to ensure that personnel understand and uphold these standards, the implementation of these measures will not guarantee that personnel, national police or other security forces will uphold these standards in every instance. The failure to conduct security operations in accordance with these standards can result in harm to employees, community members or trespassers, increase community tensions, reputational harm to Newmont or result in criminal and/or civil liability and/or financial damages or penalties.

Artisanal and illegal miners have been active on, or adjacent to, some of Newmont's African and South American properties, including recently at Suriname. Illegal mining, which involves trespass into the development or operating area of the mine, is both a security and safety issue, which may present a security threat to property and human life. The illegal miners from time to time have clashed with security staff and law enforcement personnel who have attempted to move them away from the facilities. Although, under certain circumstances, artisanal mining may be a legally sanctioned activity, artisanal mining is also associated with a number of negative impacts, including environmental degradation, poor working practices, erosion of civil society, human rights abuse and funding of conflict. The environmental, social, safety and health impacts of artisanal and illegal mining are frequently attributed to formal mining activity, and it is often assumed that artisanally-mined gold is channeled through large-scale mining operators, even though artisanal and large-scale miners may have separate supply chains. These misconceptions impact negatively on the reputation of the industry. The activities of the illegal miners could cause damage to Newmont's properties for which Newmont could potentially be held responsible. The presence of illegal miners could lead to exploration and project delays and disputes regarding the development or operation of commercial gold deposits. Illegal mining and theft could also result in lost gold production and reserves, mine and development stoppages, and have a material adverse effect on financial condition or results of operations or project development.

Competition from other natural resource companies may harm our business.

We compete with other natural resource companies to attract and retain key executives, skilled labor, contractors and other employees. We also compete with other natural resource companies for specialized equipment, components and supplies, such as drill rigs, necessary for exploration and development, as well as for rights to mine properties containing gold, copper and other minerals. We may be unable to continue to attract and retain skilled and experienced employees, to obtain the services of skilled personnel and contractors or specialized equipment or supplies, or to acquire additional rights to mine properties, which could have an adverse effect on our competitive position or adversely impact our results of operations.

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Our ability to recognize the benefits of deferred tax assets is dependent on future cash flows and taxable income.

We recognize the expected future tax benefit from deferred tax assets when the tax benefit is considered to be more likely than not of being realized, otherwise, a valuation allowance is applied against deferred tax assets. Assessing the recoverability of deferred tax assets requires management to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, our ability to realize the deferred tax assets could be impacted. In the future, our estimates could change requiring a valuation allowance or impairment of our deferred tax assets. Additionally, future changes in tax laws could limit our ability to obtain the future tax benefits represented by our deferred tax assets. At December 31, 2016, the Company's non-current deferred tax assets were $1,331.

Returns for investments in pension plans are uncertain.

We maintain pension plans for certain employees which provide for specified payments after retirement. The ability of the pension plans to provide the specified benefits depends on our funding of the plans and returns on investments made by the plans. Returns, if any, on investments are subject to fluctuations based on investment choices and market conditions. A sustained period of low returns or losses on investments could require us to fund the pension plans to a greater extent than anticipated. If future plan investment returns are not sufficient, we may be required to increase the amount of future cash contributions.

Any downgrade in the credit ratings assigned to our debt securities could increase our future borrowing costs and adversely affect the availability of new financing.

There can be no assurance that any rating currently assigned by Standard & Poor's Rating Services or Moody's Investors Service to Newmont will remain unchanged for any given period of time or that a rating will not be lowered if, in that rating agency's judgment, future circumstances relating to the basis of the rating so warrant. If we are unable to maintain our outstanding debt and financial ratios at levels acceptable to the credit rating agencies, or should our business prospects or financial results deteriorate, our ratings could be downgraded by the rating agencies. In November 2013, Standard & Poor's lowered our credit rating from BBB+ to BBB, and, in June 2014, revised its outlook to negative from stable. In January 2014, Moody's Investors Service issued a notice that Newmont's debt had been placed on "Review for possible downgrade." Subsequently in May 2014, Moody's Investors Service issued a notice that Newmont's debt has been downgraded to Baa2 with negative outlook. In June 2015, Standard & Poor's reaffirmed our credit rating at "BBB" rating and revised its outlook from negative to stable. In January 2016, the Company was one of 11 mining companies rated in the U.S. that was placed on review by Moody's Investor Services for potential downgrade. In March 2016 Moody's Investors Service reaffirmed the Company's outlook as stable. We cannot make assurances regarding the outcome of the rating agencies future reviews. A downgrade by the rating agencies could adversely affect the value of our outstanding securities, our existing debt and our ability to obtain new financing on favorable terms, if at all, and increase our borrowing costs, which in turn could impair our results of operations and

financial position.

Future funding requirements may affect our business.

Potential future investments, including projects in the Company's project pipeline, acquisitions and other investments, will require significant funds for capital expenditures. Depending on gold and copper prices, our operating cash flow may not be sufficient to meet all of these expenditures, depending on the timing of development of these and other projects. As a result, new sources of capital may be needed to meet the funding requirements of these investments, fund our ongoing business activities and pay dividends. Our ability to raise and service significant new sources of capital will be a function of macroeconomic conditions, future gold and copper prices as well as our operational performance, current cash flow and debt position, among other factors. We may determine that it may be necessary or preferable to issue additional equity or other securities, defer projects or sell assets. Additional financing may not be available when needed or, if available, the terms of such financing may not be favorable to us and, if raised by offering equity securities, any additional financing may involve substantial dilution to existing shareholders. In the event of lower gold and copper prices, unanticipated operating or financial challenges, or new funding limitations, our ability to pursue new business opportunities, invest in existing and new projects, fund our ongoing business activities, retire or service all outstanding debt and pay dividends could be significantly constrained. In addition, our joint venture partners may not have sufficient funds or borrowing ability in order to make their capital commitments. In the case that our partners do not make their economic commitments, the Company may be prevented from pursuing certain development opportunities or may assume additional financial obligations, which may require new sources of capital.

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The price of our common stock may be volatile, which may make it difficult for you to resell the common stock when you want or at prices you find attractive.

The market price and volume of our common stock may be subject to significant fluctuations due not only to general stock market conditions but also to a change in sentiment in the market regarding our operations, business prospects or liquidity. Among the factors that could affect the price of our common stock are:

- changes in gold, and to a lesser extent, copper prices;
- operating and financial performance that vary from the expectations of management, securities analysts and investors or our financial outlook;
- developments in our business or in the mining sector generally;
- regulatory changes affecting our industry generally or our business and operations;
- the operating and stock price performance of companies that investors consider to be comparable to us;
- announcements of strategic developments, acquisitions and other material events by us or our competitors;
- our ability to integrate and operate the companies and the businesses that we acquire;
- response to activism; and
- changes in global financial markets and global economies and general market conditions, such as interest or foreign exchange rates, stock, commodity, credit or asset valuations or volatility.

The stock markets in general have experienced extreme volatility that has at times been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our common stock.

Holders of our common stock may not receive dividends.

Holders of our common stock are entitled to receive only such dividends as our Board of Directors may declare out of funds legally available for such payments. We are incorporated in Delaware and governed by the Delaware General Corporation Law. Delaware law allows a corporation to pay dividends only out of surplus, as determined under Delaware law or, if there is no surplus, out of net profits for the fiscal year in which the dividend was declared and for the preceding fiscal year. Under Delaware law, however, we cannot pay dividends out of net profits if, after we pay the dividend, our capital would be less than the capital represented by the outstanding stock of all classes having a preference upon the distribution of assets. Our ability to pay dividends will be subject to our future earnings, capital requirements and financial condition, as well as our compliance with covenants and financial ratios related to existing or future indebtedness. Although we have historically declared cash dividends on our common stock and utilized a gold price-linked dividend policy, we are not required to declare cash dividends on our common stock and our Board of Directors may modify the dividend policy or reduce, defer or eliminate our common stock dividend in the future.

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ITEM 2.PROPERTIES (dollars in millions, except per share, per ounce and per pound amounts)

Production and Development Properties

Newmont's significant production and development properties are described below. Operating statistics for each region are presented in a table in the Operating Statistics section.

North America

The North America region maintains its headquarters in Elko, Nevada and operates five sites, Carlin, Phoenix, Twin Creeks, Long Canyon and Cripple Creek & Victor.

In Nevada, mining taxes are assessed on up to 5% of net proceeds of a mine. Net proceeds are calculated as the excess of gross yield over direct costs. Gross yield is determined as the value received when minerals are sold, exchanged for anything of value or removed from the state. Direct costs generally include the costs to develop, extract, produce, transport and refine minerals.

Carlin, Nevada, USA. (100% owned) The Carlin property is located 25 miles west of Elko, Nevada off of Interstate 80 and can be accessed by paved highway. Newmont either owns the private fee land and unpatented mining claims or controls the land through long-term mining leases, with regard to the minerals and surface area within the boundaries of the present operations. Properties held under long-term mining leases expire at varying dates over the next 40 years. With respect to a portion of the Gold Quarry pit, we pay a royalty equivalent to 16.2% of the mineral production. With respect to various other Carlin deposits, we pay third-party royalties that vary from 1% to 8% of production.

Carlin's integrated mining operations consist of four open pits and four underground mines. The open pits include the Emigrant and the Gold Quarry pits in the South end of the Carlin Trend and the Silverstar and Goldstar pits in the North end of the Carlin Trend. The underground mines include Leeville, which is a shaft mine, along with Chukar, Pete Bajo and Exodus, which are portal mines. The majority of the underground ore as well as higher-grade surface refractory ores are processed through the roaster (Mill 6), which consists of a grinding circuit, roasting circuit and a conventional carbon-in leach circuit. Mill 6 processed approximately 3.4 million tons of ore in 2016. Higher-grade surface oxide ores are processed by conventional milling and cyanide leaching at Mill 5.

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Additionally, Mill 5 operates as a flotation mill treating lower grade, non-carbonaceous, sulfidic refractory ore to produce a gold/pyrite concentrate. Mill 5 processed approximately 5 million tons of ore in 2016. Lower-grade surface material with suitable cyanide solubility is treated on one of four heap leach pads. Carlin's available mining fleet consists of six shovels and 54 haul trucks which range from 150 to 250 tons. We have been mining gold at Carlin since 1965.

Carlin is a sediment-hosted disseminated gold deposit. Work has been completed to expand underground airflow at the Leeville mine to allow for increased mining rates and future mine expansion. Brownfield exploration and development of new reserves is ongoing.

Power is supplied by Wells Rural Electric Company ("WREC") in the southern section of the property and in the northern section of the property power is partially supplied by a power plant Newmont built and placed in operations in 2008. Power generated is sold to NV Energy and then repurchased by the operations.

Carlin's gross property, plant and mine development at December 31, 2016 was $4,095. Carlin produced 944,000 ounces of gold in 2016 and reported 15.0 million ounces of gold reserves at December 31, 2016.

Phoenix, Nevada, USA. (100% owned) The Phoenix property is comprised of the Phoenix operations and the Lone Tree operations. The Phoenix and Lone Tree properties are owned through fee property and unpatented mining claims.

Phoenix is an open pit operation, located approximately 10 miles south of Battle Mountain, Nevada and can be accessed by paved highway to a Newmont maintained dirt road. Phoenix was acquired through the Battle Mountain Gold merger and began operations in 2006.

Phoenix is a skarn-hosted polymetallic massive sulfide replacement deposit. The Phoenix mill produces a gravity gold concentrate and a copper/gold flotation concentrate and recovers additional gold from cyanide leaching of the flotation tails. The Phoenix surface mine's available mining fleet consists of three shovels and sixteen 240-ton haul trucks. Process facilities include a flotation mill, which processed approximately 12 million tons of ore in 2016, a carbon-in-leach plant, a copper leach pad and solvent extraction electrowinning ("SX/EW") plant. The copper leach and SX/EW plant allows for the production of copper cathode. Brownfield exploration and development of new reserves is ongoing.

Lone Tree is an open pit operation, located approximately 20 miles northwest of Battle Mountain, Nevada and can be accessed by paved highway. Lone Tree was acquired through the Santa Fe merger and began operations in 1991. Mining was completed in 2007, with residual leaching and ongoing reclamation activities.

Lone Tree's available mining fleet consists of four haul trucks, which range from 150 tons to 190 tons, to rehandle leach material for residual leaching operations. The site also has an autoclave and flotation mill, which are currently on care and maintenance.

Power is partially supplied by a power plant built by Newmont and placed in operations in 2008. Power generated is sold to NV Energy and then repurchased by the operations.

The Phoenix operations' gross property, plant and mine development at December 31, 2016 was $1,270. The Phoenix operations produced 209,000 ounces of gold and 42 million pounds of copper in 2016. At December 31, 2016, the Phoenix operations reported 4.4 million ounces of gold reserves and 1,260 million pounds of copper reserves.

Twin Creeks, Nevada, USA. (100% owned) The Twin Creeks property is comprised of the Twin Creeks mine and the Turquoise Ridge Joint Venture.

Twin Creeks is an open pit operation, located approximately 15 miles north of Golconda, Nevada and can be accessed by paved highway to a dirt road maintained by Newmont. The Twin Creeks mine is an open pit mine that began operations in 1987 and was acquired through the Santa Fe merger in 1997. The property is owned through fee property and unpatented mining claims.

Twin Creeks is a sediment-hosted disseminated gold deposit. Higher-grade oxide ores are processed by conventional milling and cyanide leaching at the Juniper mill. The autoclaves (Sage) process higher-grade refractory ores and lower-grade material with suitable cyanide solubility is treated on heap leach pads. Twin Creeks' available mining fleet consists of three shovels and fourteen 240-ton haul trucks. The process facilities include an autoclave, which processed approximately 3.9 million tons of ore in 2016, an oxide mill, which processed 1.1 million tons of ore in 2016, and three leach pads. Brownfield exploration and development of new

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reserves is ongoing, including the Twin Underground project. This project is located below and north of the historic Vista Pit within the Twin Creeks footprint. Twin Underground is currently in the definitive feasibility stage and a funding decision is expected in the second half of 2017.

Power is partially supplied by a power plant Newmont built and placed in operations in 2008. Power generated is sold to NV Energy and then repurchased by the operations.

Turquoise Ridge is an underground gold mine located in Golconda, Nevada. The operation includes a refractory ore deposit, which utilizes the Twin Creeks autoclave for processing. Turquoise Ridge is a joint venture with a subsidiary of Barrick Gold Corporation (“Barrick”), where Barrick is the operator. We have a 25% interest in Turquoise Ridge and we report our interest on a pro rata basis. Additionally, we have an agreement that expires in 2017 to provide up to 2,000 tons per day of milling capacity at Twin Creeks to the joint venture. In 2016, gold production of 86,000 ounces was attributable to Newmont from Turquoise Ridge.

The Twin Creeks operations’ gross property, plant and mine development at December 31, 2016 was $1,481. The Twin Creeks operation produced 453,000 ounces of gold in 2016 and reported 4.9 million ounces of attributable gold reserves at December 31, 2016.

Long Canyon, Nevada, USA. (100% owned) Long Canyon is located approximately 75 miles east of Elko, Nevada off of Interstate 80 and can be accessed by paved highway. Long Canyon was acquired in 2011 through the purchase of Fronteer Gold Inc. The property is owned through fee property and unpatented mining claims.

Long Canyon is a sediment-hosted disseminated gold deposit. Oxide ore with suitable cyanide solubility is treated on a heap leach pad. The Long Canyon available mining fleet consists of two shovels and ten 240-ton haul trucks. Brownfield exploration and development of new reserves is ongoing. Commercial production at Long Canyon was achieved in November 2016.

Power is supplied by WREC.

Long Canyon’s gross property, plant and mine development at December 31, 2016 was $1,144. The Long Canyon operation produced 22,000 ounces of gold in 2016 and reported 1.2 million ounces of gold reserves at December 31, 2016.

Cripple Creek & Victor, Colorado, USA. (100% owned) Cripple Creek &Victor ("CC&V") is an open pit operation, located next to the town of Victor, Colorado and can be accessed by paved highway. On August 3, 2015, Newmont acquired CC&V through a purchase from AngloGold Ashanti Limited. The vast majority of the property is controlled through fee patented mining claims as well as long-term mining leases. Properties held under long-term mining leases expire at varying dates over the next 20 years. Royalties on various sections of the deposit vary up to 5% of production.

CC&V is an epithermal alkalic deposit with heap leaching and milling processing facilities located on site. Heap leaching is used to recover lower-grade ore, while the mill is used to recover higher-grade ore. CC&V's available mining fleet consists of three shovels and 31 haul trucks with capacity ranges from 85 tons to 240 tons. The process facilities include a mill and two valley leach facilities. Construction of one of the valley leach facilities and a second recovery plant was completed in 2016. Brownfield exploration and development of new reserves is ongoing.

Power is supplied by Black Hills Energy.

CC&V's gross property, plant and mine development at December 31, 2016 was $791. CC&V produced 396,000 ounces of gold in 2016 and reported 3.4 million ounces of gold reserves at December 31, 2016.

South America

The South America region maintains its headquarters in Lima, Peru and operates two sites, Yanacocha and Merian, and manages the Conga Project.

Yanacocha and the Conga Project are owned by Minera Yanacocha S.R.L. ("Yanacocha" or "MYSRL"), which is 51.35% owned by Newmont. The remaining interests in MYSRL are held by Compañia de Minas Buenaventura, S.A.A. ("Buenaventura") (43.65%) and the International Finance Corporation (5%).

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MYSRL (51.35% owned by Newmont) and S.M.R.L. Chaupiloma Dos de Cajamarca ("Chaupiloma") (a third party) have mining concessions granted by the Peruvian mining authority. Mining concessions grant MYSRL an exclusive and irrevocable right to carry out exploration and exploitation activities within a specified area. In order to maintain these concessions, MYSRL must (i) obtain the appropriate permits and rights over the surface lands, (ii) pay annual license fees and (iii) comply with a minimum annual production obligation. For mining concessions granted prior to 2008, concessions will expire if the production obligations are not met by the end of 2028. For mining concessions granted in 2008 or thereafter, concessions will expire if minimum production is not attained by the 20th year from the date of grant.

In Peru, a revised royalty and special mining tax was introduced on October 1, 2011. This tax is dependent on whether or not a stabilization agreement is in effect and is based on a sliding scale, between 1% and 12%.

Yanacocha, Peru. (51.35% owned) Yanacocha is located approximately 375 miles (604 kilometers) north of Lima and 30 miles (48 kilometers) north of the city of Cajamarca and is primarily accessible by paved and dirt roads. The Yanacocha property began production in 1993 and consists of the following open pit mines: the La Quinua Complex, Cerro Yanacocha, the Carachugo Complex and Maqui Maqui. In addition, Yanacocha has four leach pads, three processing facilities and one mill.

The La Quinua complex is currently mining material from the La Quinua Sur and the Tapado Oeste Layback. La Quinua Sur commenced mining activities in May 2014 and is scheduled to finish in 2019. The Tapado Oeste Layback commenced mining activities during the first quarter of 2015 and is expected to be completed in 2019. Mining activities in Cerro Negro Oeste and Tapado Oeste ceased in August 2016 and September 2016, respectively. The ore from La Quinua Sur and Tapado Oeste Layback is primarily placed on the La Quinua leach pad or in stockpiles for further processing. Gold recovery from the leach pad at La Quinua continues.

Cerro Yanacocha mines material from the Yanacocha Layback and Yanacocha Pinos. The Yanacocha Layback commenced mining activities in January 2016 and is scheduled to finish in 2018. Cerro Yanacocha began operations in 1997 and had limited mining operations in recent years. The ore from the Yanacocha Layback and Yanacocha Pinos is primarily placed on the Cerro Yanacocha leach pad or in stockpiles for further processing. Gold recovery from the leach pad at Cerro Yanacocha continues.

The Carachugo Complex mined material from multiple mines that are no longer in operation, including Marleny. In February 2016, Marleny resumed mining operations after two years of inactivity, and ceased operations in June 2016. The ore from Marleny was primarily placed on the Carachugo leach pad or in stockpiles for further processing. De minimus residual leaching of gold from the leach pad at Carachugo continues.

Maqui Maqui ceased mining operations in July 2016. The ore from Maqui Maqui was primarily placed on the Maqui Maqui leach pad or in stockpiles for further processing. De minimus residual leaching of gold from the leach pad at Maqui Maqui continues.

Leach pads are located at La Quinua (581 million tonne capacity), Cerro Yanacocha (426 million tonne capacity), Carachugo (372 million tonne capacity) and Maqui Maqui (64 million tonne capacity). Each of these leach pads include at least two leach solution storage ponds and storm water ponds located down gradient from each leach pad. The Cerro Yanacocha site has two additional solution ponds for the segregation of solution generated from the treatment of transition ores. A raw water pond is used both for storm containment and to store excess solution during the wet season.

Yanacocha's processing facilities (Pampa Larga, Yanacocha Norte and La Quinua) are located adjacent to the solution storage ponds and are used to process gold-bearing solutions from Yanacocha's leach pads through a network of solution-pumping facilities. The Yanacocha Gold Mill processes high-grade gold ore to produce a gold-bearing solution for treatment at the La Quinua processing plant. The Yanacocha Gold Mill commenced operations in March 2008, and it processes between 5.5 and 6.0 million tonnes per year.

Yanacocha's mining activities encompass 260,212 acres (105,304 hectares) that are covered by 182 mining concessions. MYSRL (51.35% owned by Newmont) holds the mining rights related to 95,719 acres (38,736 hectares), covered by 71 concessions. Chaupiloma holds the mining rights to the remaining acres and concessions and has assigned these mining concessions to Yanacocha. Each concession has an initial term of 17 to 20 years, which are renewable at Yanacocha's request for an additional 17- to 20-year terms. Yanacocha has three processing concessions from the Ministry of Energy and Mines for its processing plants: Cerro Yanacocha (Yanacocha Gold Mill, Cerro Negro, La Quinua and Yanacocha), Yanacocha (Carachugo and Pampa Larga) and China Linda (a limestone processing facility). The processing concessions have indefinite terms, subject to the payment of an annual fee based on nominal capacity for the processing plant.

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Yanacocha is an epithermal type deposit of high sulfidation hosted in volcanic rock formations. Gold is associated with iron-oxides and pyrite. Material that has suitable cyanide solubility is placed on leach pads whereas non-leachable material is placed in stockpiles for processing through the Yanacocha Gold Mill. Solutions generated by the leach pad and the mill are further processed through the processing facilities. Mining and processing of oxide mineralization has been ongoing since the mine opened in 1993. Studies are underway to evaluate the potential for mining sulfide gold and copper mineralization. Yanacocha's available mining fleet consists of one shovel, four excavators, two wheel loaders and 39 haul trucks, which range from 140 to 240 tonnes. Brownfield exploration and development of new reserves is ongoing, including the development of Quecher Main within the footprint of Yanacocha. This oxide deposit will extend the life of the Yanacocha operation to 2025, with an average of about 200,000 ounces between 2020 and 2025. In addition, the development of an underground exploration tunnel was completed in June 2016. Quecher Main is currently in the definitive feasibility stage and a funding decision is expected in the second half of 2017.

Power is supplied to the operation by Engie Energia Peru SA.

Yanacocha's gross property, plant and mine development at December 31, 2016 was $3,817. Yanacocha produced 655,000 ounces of gold (336,000 attributable ounces of gold) in 2016 and reported 2.2 million attributable ounces of gold reserves at December 31, 2016.

Conga, Peru. (51.35% owned) The Conga Project is located approximately 16 miles (25 kilometers) northeast of Yanacocha and is accessible by paved and dirt roads. The project is planned to be an open pit mine. Newmont received Conga from Cedimin S.A.C. as part of the Yanacocha unitization in 2001 and conducted comprehensive reviews of data and subsequent drilling campaigns through 2011.

Conga's mining activities would encompass 35,427 acres (14,337 hectares) that are covered by a mining concession that is owned by Chaupiloma. This concession was assigned to MYSRL (51.35% owned by Newmont) with a renewal term of 20 years. This mining concession has been suspended by MYSRL and exploration and exploitation activities are not currently permitted.

The Conga Project is a copper-gold porphyry deposit. Conga contains economic gold and copper mineralization associated with intense quartz veining felsic porphyries. Locally, magnetite-dominated skarns contain economic gold and copper mineralization and garnet dominated skarns are enriched in zinc, lead and silver. Certain locations in the Conga Project contain economic gold and copper mineralization associated with stock works of quartz veinlets and copper sulfides, particularly chalcopyrite, bornite and digenite.

Following the approval of the Environmental Impact Assessment in 2010, the Project's design and construction work began. As a result of a series of demonstrations staged in Cajamarca at the request of the Central Government the

Company suspended all Conga Project construction activities in November 2011. In April 2012, The Peruvian Central Government and MYSRL initiated an independent review of the initial Environmental Impact Assessment ("EIA"), which confirmed our initial EIA met Peruvian and International standards. The review made recommendations to provide additional water capacity and social funds, which were largely accepted. We announced our decision to move the project forward on a "water first" approach on June 22, 2012. In the first half of 2014, a Conga Restart Study was completed to identify and test alternatives to advancing development of the project. Following this assessment, a new plan was developed to reduce spending to focus on only the most critical work – protecting people and assets, engaging with communities and maintaining existing project infrastructure, while maintaining optionality. Newmont will not proceed with the full development of Conga without social acceptance, solid project economics and potentially another partner to help defray costs and risk; it is currently difficult to predict when or whether such events may occur. 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 Conga, the Company has allocated its development capital to other projects in recent years. 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 an impairment.

There is no exploration and/or development of new reserves as development of the project is currently on hold. See Item 1A, Risk Factors, above for a description of political risks related to the project's development and the reclassification of previously declared reserves to mineralized material in 2015.

Merian, Suriname. (75% owned) The Merian gold mine ("Merian") is owned 75% by Newmont Suriname, LLC ("Newmont Suriname") (formerly known as Suriname Gold Company LLC and 100% indirectly owned by Newmont Mining corporation) and 25% by Staatsolie Maatschappij Suriname N.V. ("Staatsolie") (a company wholly owned by the Republic of Suriname). Merian is located in Suriname, approximately 40 miles (66 kilometers) south of the town of Moengo and 19 miles (30 kilometers) north of the Nassau Mountains, close to the French Guiana border. The site is accessible by paved road from Paramaribo to Moengo and a dirt road maintained mainly by the Company. The operation currently includes the Merian 2 open pit and is scheduled to include a second

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pit (the Maraba pit). Construction for Merian 2 began in August 2014 and commercial production began in October 2016. In late 2018, the Maraba pit is scheduled to be added to the production stream. In addition, the operation includes a process plant that contains a conventional gold processing flowsheet with a carbon-in-leach circuit.

Newmont Suriname and Staatsolie have a Right of Exploitation for Merian as defined in a Mineral Agreement approved by the Surinamese National Assembly in November 2013 and signed by the parties in August 2014. The Right of Exploitation is for an area of 41,484 acres (16,788 hectares), for a period of 25 years, and was recorded on November 7, 2014. Newmont Suriname is subject to a 6% net smelter return royalty to the Republic of Suriname payable in gold bullion or cash at the election of the government. According to the terms of the partnership agreement, Staatsolie will receive metal in kind for its 25% interest. On October 14, 2016, Staatsolie and Newmont Suriname signed a letter of intent to amend the distribution model outlined in the partnership agreement, which would allow Merian to sell 100% of the gold produced and make cash distributions in lieu of in-kind distributions to Staatsolie.

All of the gold mineralization at Merian occurs within saprolite, saprock or fresh rock and is closely associated with quartz veining within siltstone and sandstone formations. Merian’s available mining fleet consists of five mining excavators and 25 haul trucks, which range from 136 to 144 tonnes.

Merian includes processing facilities that utilize a conventional gold processing process plant, consisting of comminution plant, including gravity and cyanide leach processes, with recovery by carbon-in-leach, elution, electro-winning and induction furnace smelting to produce a gold doré product. It has a nameplate capacity of 12 million tonnes per year, reducing later to 10 million tonnes per year when the mill feed will be predominantly from fresh rock. Maintenance facilities, camp facilities with a capacity of 1,200 workers and various offices complete the site. Brownfield exploration and development of new reserves is ongoing.

Power for the property is self-generated using on-site heavy fuel oil driven generators.

Merian’s gross property, plant and mine development at December 31, 2016 was $869. Merian produced 104,000 ounces of gold (78,000 attributable ounces of gold) in 2016 and reported 4.3 million attributable ounces of gold reserves at December 31, 2016.

Asia Pacific

The Asia Pacific region maintains its headquarters in Perth, Australia and operates three sites, Boddington, Tanami and Kalgoorlie. On November 2, 2016, we completed the sale of Batu Hijau in Indonesia (previously included in our Asia Pacific region), as further discussed below.

In Australia, mineral exploration and mining titles are granted by the individual states or territories. Mineral titles may also be subject to native title legislation or, in the Northern Territory, to Aboriginal freehold title legislation that entitles indigenous persons to compensation calculated by reference to the gross value of production and with Aboriginal Freehold Title indigenous people have a right of consent. In 1992, the High Court of Australia held that Aboriginal people who have maintained a continuing connection with their land according to their traditions and customs may hold certain rights in respect of the land (such rights commonly referred to as “native title”). Since the High Court’s decision, Australia has passed legislation providing for the protection of native title and established procedures for Aboriginal people to claim these rights. The fact that native title is claimed with respect to an area, however, does not necessarily mean that native title exists, and disputes may be resolved by the courts.

Generally, under native title legislation, all mining titles granted before January 1, 1994 are valid. Titles granted between January 1, 1994 and December 23, 1996, however, may be subject to invalidation if they were not obtained in compliance with applicable legislative procedures, though subsequent legislation has validated some of these titles. After December 23, 1996, mining titles over areas where native title is claimed to exist became subject to legislative processes that generally give native title claimants the “right to negotiate” with the title applicant for compensation and other conditions. Native title holders do not have a veto over the granting of mining titles, but if agreement cannot be reached, the matter can be referred to the National Native Title Tribunal for decision.

Native title claims are not expected to have a material adverse effect on any of our operations in Australia. The High Court of Australia determined in an August 2002 decision, which refined and narrowed the scope of native title, that native title does not subsist in minerals in Western Australia and that the rights granted under a mining title would, to the extent inconsistent with asserted native title rights, operate to extinguish those native title rights. Generally, native title is only an issue for Newmont with respect to obtaining new mineral titles or moving from one form of title to another, for example, from an exploration title to a mining title. In these cases, the requirements for negotiation and the possibility of paying compensation may result in delay and increased costs for mining in the affected areas. Similarly, the process of conducting Aboriginal heritage surveys to identify and locate areas or sites of

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Aboriginal cultural significance can result in additional costs and delay in gaining access to land for exploration and mining-related activities.

In Australia, various ad valorem royalties and taxes are paid to state and territorial governments, typically based on a percentage of gross revenues or earnings. Indigenous communities have negotiated compensation/royalty payments as a condition to granting access to areas where they have native title or they own the land.

Boddington, Australia. (100% owned) Boddington is located 81 miles (130 kilometers) southeast of Perth in Western Australia and is accessible primarily by paved road. Mining operations consist of two open pit operations located adjacent to each other. The milling plant has a nominal capacity to process approximately 39 million tonnes of ore per year. Other major facilities include an emulsion plant, residue disposal area (tailings facility), maintenance workshops and a 2,300-room accommodation camp. Additionally, 31 residential properties are owned in Boddington as employee housing. Boddington has been wholly owned since June 2009 when Newmont acquired the final 33.33% interest from AngloGold Ashanti Australia Limited.

The Boddington project area comprises 46,697 acres (18,898 hectares) of mining tenure leased from the State of Western Australia, of which 21,018 acres (8,506 hectares) is subleased from the South 32 Worsley Joint Venturers. Royalties are paid to the state government at 2.5% for gold and 5% for copper based on revenue. Shipping and Treatment and Refining costs are allowable deductions from revenue for royalty calculations for copper. There is an additional profit based royalty payable to AngloGold Ashanti. This royalty is capped at $100 (of which approximately $78 has been paid out). The remaining royalty of approximately $22 is payable quarterly and is equal to 50% of the amount by which the average margin for the quarter exceeds $600 per ounce (on a by-product basis) multiplied by 33.3% of gold ounces sold in that quarter. Mining tenure terms vary between 4 to 21 years, with renewal options available on all core mining tenements. Newmont owns 74,474 acres (30,139 hectares) of rural freehold property, some of which overlaps the mining tenure.

Boddington consists of greenstone diorite hosted mineralization and activities continue to develop the known reserve.

The mine operates two pits (North & South Pits) utilizing three electric rope shovels as its prime ex-pit material movers with a production haul truck fleet of 40 and fleet of ancillary equipment as required. Boddington has a current capacity to mine approximately 235,000 tonnes of material per day. The milling plant includes a three-stage crushing facility (two Primary crushers, six Secondary crushers and four high-pressure grinding rolls), four ball mills, a flotation circuit and carbon-in-leach circuit. The flotation circuit process recovers copper concentrate and a portion of the gold in a copper concentrate before the material is then processed by a traditional carbon-in-leach circuit where the remaining gold is recovered.

Boddington’s process plant poured its first gold in September 2009 and commercial production commenced in November 2009. October 2015 saw the approval of the next major layback in the South Pit, which commenced in January 2016.

Power for the operation is sourced through the local power grid under a long-term power purchase agreement.

Boddington’s gross property, plant and mine development at December 31, 2016 was $3,995. Boddington produced 800,000 ounces of gold and 77 million pounds of copper in 2016. At December 31, 2016, Boddington reported 11.6 million ounces of gold reserves and 1,230 million pounds of copper reserves.

Tanami, Australia. (100% owned) Tanami is located in the Northern Territory approximately 342 miles (550 kilometers) northwest of Alice Springs. The underground mining infrastructure and operation is located at Dead Bullock Soak. The processing infrastructure is located 25 miles (40 kilometers) to the east of the mining operations at the Granites. Ore is transported by road train to the processing plant. Supply of materials for the operations is done primarily by road while the workforce for Tanami utilizes a fly-in/fly-out program. Gold was first discovered and mined in the area around 1900. Mining Tenements were granted in 1983 and have continued to this date. Newmont acquired its ownership in the mine in 2002, as a result of the merger with Normandy.

The Newmont Tanami Operations has an area of 843,420 acres (341,320 hectares) of exploration licenses and 11,017 acres (4,458 hectares) of mining leases granted as per the Northern Territory Mineral Titles Act. The operation has been granted authorization as per the Northern Territory Mining Management Act to undertake mining activities on these mineral leases. For the exploration licenses, Tanami is required to make an annual administration payment to the Central Land Council for each Deed (17) and a payment equal to 5% of in ground exploration. The Mining Lease expiry dates range between 2023 and 2036, with the ability to renew. Expiration date for MLS8 (processing plant mineral lease) is May 2034 and MLS154 (mine mineral lease) is February 2036.

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As per the Northern Territory Mineral Royalties Act, the operation is obliged to pay a profit based royalty of 20% to the Northern Territory government. The operation is located on Aboriginal Freehold Land as per the Northern Territory Aboriginal Land Rights Act which requires the operation to hold a mining agreement with the Traditional Owners on which the operation is located. The Mining Agreement is managed by the Central Land Council as per the statutory requirements of the Aboriginal Land Rights Act. This agreement defines compensation payment to the Traditional Owners.

Mining operations are predominantly focused on the Callie and Auron ore bodies in the underground mine at Dead Bullock Soak. Tanami consists of sediment hosted sheeted quartz vein mineralization. Exploration is ongoing with the main focuses being underground ore definition drilling of the Auron ore body and drilling of the Federation ore body. In the fourth quarter of 2016, the Federation ore body declared first reserves.

Tanami, as an underground mining operation, has a fleet of underground loaders and 18 dump trucks, each with a 60 tonne payload. The processing plant was originally commissioned in 1986. The processing plant currently consists of a crushing plant, a grinding circuit, gravity carbon in pulp tanks and a conventional tailings disposal facility. The Board of Directors approved full funding of the Tanami Expansion project in October 2015. The scope for this project includes a ventilation upgrade, additional mining equipment, additional mine access and increasing process plant capacity and recovery. We expect the Tanami Expansion to reach commercial production in mid-2017, which will maintain Tanami’s production of between 425,000 and 475,000 gold ounces for the first five years after commercial production is reached.

Power for the operations is exclusively sourced from diesel generators which are owned and operated by Pacific Energy Pty (KPS) Ltd.

Tanami’s gross property, plant and mine development at December 31, 2016 was $1,239. Tanami produced 459,000 ounces of gold in 2016 and reported 4.5 million ounces of gold reserves at December 31, 2016.

Kalgoorlie, Australia. (50% owned) We report our interest in Kalgoorlie on a pro rata basis. The mines are managed by Kalgoorlie Consolidated Gold Mine Pty Ltd (“KCGM”) for the joint venture owners, Newmont and Barrick. On May 1, 2015, Newmont assumed management oversight of the Kalgoorlie operations, under the new Management Services Agreement signed by the joint venture partners. Kalgoorlie is located 373 miles (600 kilometers) east of Perth in Western Australia and is accessible primarily by paved road. Kalgoorlie comprises the Fimiston open pit (commonly referred to as the Super Pit) and Mt Charlotte underground mines. The milling plant includes Fimiston processing plant on site at the edge of Kalgoorlie town and Gidji plant 30km outside of town. The milling plant has the capacity to process approximately 12.5 million tonnes of ore per year (at 100%). Gold was first discovered in the area in 1893. In 1989, KCGM was formed to manage the assets and operations of the joint venture partners. Newmont acquired its ownership in the mine in 2002, as a result of the merger with Normandy.

Kalgoorlie consists of greenstone dolerite hosted mineralization. Brownfield exploration and development of new reserves is ongoing at both the Mt Charlotte underground operation and the open pit Fimiston operation with testing for extensions.

The Kalgoorlie operation encompasses approximately 84,658 acres (34,261 hectares), comprising 63,436 acres (25,672 hectares) of mining leases and other general purpose leases, 14,939 acres (6,045 hectares) of exploration and prospecting licenses and 6,283 acres (2,543 hectares) of miscellaneous licenses held for easements and rights-of-way. The Kalgoorlie operation is obligated to pay royalties on production to the State Government of 2.5%. Mining and processing operations and facilities are located on properties held under leases which expire at varying dates over the next 21 years. All core mining leases contain options to renew.

Kalgoorlie's processing plant was first commissioned in mid-1989 and has since undergone two major expansions (1991 and 1995) as well as the de-commissioning of the Gidji roasters in 2015 to arrive at its current configuration. The Fimiston plant processes ore from the Super Pit and underground ore from the Mt Charlotte mine. Both ores are processed via two milling circuits which consist of two semi-autogenous grinding (“SAG”) mills and associated ball mills which are capable of treating up to 40,000 tonnes per day. After crushing and milling, the ores are processed via gravity and undergo bulk sulfide flotation to produce a gold-bearing sulfide flotation concentrate which is subsequently leached after ultra-fine grinding at either Fimiston or is filtered and trucked to the Gidji ultra-fine grinding processing plant. The flotation tailings are also leached at Fimiston by two carbon in pulp leaching circuits. Loaded carbon from both Fimiston and Gidji is treated at the centralized Fimiston elution (stripping) and electrowinning facility. The gold sludge from the electrowinning circuits is removed periodically from the cathodes and smelted to produce doré gold bars. Excess concentrate, which is unable to be treated on site, is sold to overseas smelters for processing. In 2015, the two roasters at Gidji were de-commissioned and a new 30 tonne per hour (tph) ultra-fine grinding mill was installed. This was in addition to the already existing 10 tph ultra-fine grinding mills at Gidji since 2000 and at Fimiston processing plant since 2002. In conjunction with this project, a new

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carbon regeneration kiln (for a total of three) and scrubbing system was installed at Fimiston and a retort and mercury collection system was commissioned at the Fimiston gold room.

Open pits have a fleet of four shovels, one loader, 40 haul trucks, as well as other ancillary equipment. The Mt Charlotte underground mine has underground loaders, a combination of 50 and 60 tonne trucks and drills to enable ore extraction.

Power for the operations is supplied through Newmont Power Pty Ltd (a wholly-owned Newmont entity). Newmont Power Pty Ltd sources the power through a combination of purchase from the gas fired power plant in which Newmont holds a 50% interest and through purchase from the local power grid.

Kalgoorlie's gross property, plant and mine development at December 31, 2016 was $433. Kalgoorlie produced 382,000 attributable ounces of gold in 2016 and reported 4.1 million attributable ounces of gold reserves at December 31, 2016.

Batu Hijau, Indonesia. (Previously 48.5% owned) The sale of our economic interest in PTNNT, which operated Batu Hijau, to PT Amman Mineral Internasional was completed on November 2, 2016. Prior to the sale, the Batu Hijau operation produced 701,000 ounces of gold (340,000 attributable ounces of gold) and 413 million pounds of copper in 2016 (200 million attributable pounds of copper). For additional information regarding our discontinued operations, see Note 3 to the Consolidated Financial Statements and the discussion in our Results of Consolidated Operations in Item 7.

Africa

The Africa region maintains its headquarters in Accra, Ghana and operates two sites, Ahafo and Akyem.

In December 2003, Ghana's Parliament unanimously ratified an Investment Agreement ("IA") between Newmont and the government of Ghana. The IA established a fixed fiscal and legal regime, including fixed royalty and tax rates, for the life of any Newmont project in Ghana. Under the IA, we would pay corporate income tax not to exceed 32.5% and fixed gross royalties on gold production of 3.0% (3.6% for any production from forest reserve areas). The government of Ghana was also entitled to receive 10% of a project's net cash flow after we had recouped our investment and could acquire up to 20% of a project's equity at fair market value on or after the 15th anniversary of such project's commencement of production. The IA also contained commitments with respect to job training for local Ghanaians, community development, purchasing of local goods and services and environmental protection.

In 2012, the government of Ghana enacted a law that increased the corporate income tax from 25% to 35%, eliminated the National Fiscal Stabilization Levy, and changed capital allowances to 20% over 5 years from the previously allowed 80% deduction in year one and then 50% per year on the remaining balance. Per the IA, the increase in the corporate income tax rate would be limited to 32.5% and capital allowances remain at the old rates and basis. The government of Ghana also introduced a bill in Parliament that sought to impose a “windfall profit tax” of 10% on windfall profits of mining companies. The Company believed that the windfall tax of 10% would not be applicable to our Ghana operations due to our IA.

In addition, in 2012, the government of Ghana established a Mining Review Committee to review fiscal regimes and mining agreements with a view to ensuring that Ghana benefits adequately and fairly from the mining sector. Newmont was the first mining company in Ghana called to review its IA. In response, a review team was formed between Newmont and the Government concluding and recommending in November 2014, certain changes to the terms of the IA. After consideration and advancement to Parliament by the Cabinet, the changes to the IA needed to be ratified and approved by Ghana’s Parliament to become effective. Until then, the current IA of 2003 remained effective and binding.

In December 2015, Ghana’s Parliament ratified the Revised Investment Agreements (“Ghana Investment Agreements” or “Revised IAs”). Key changes to the Revised IAs include a change in tax stabilization from life of mine to 15 years from commercial production for each mine. After the stability period concludes, an extension is possible if the Company commits to invest at least $300 per mine in mining projects. The maximum corporate income tax rate remains at 32.5%. The Revised IAs introduced a sliding scale royalty system that is based on monthly gold prices. The rates range from 3% to 5% of revenues. The additional 0.6% for ounces mined in the forest reserve area, as described above, remains in effect. The government of Ghana is also entitled to receive 1/9th of the total amount paid as dividends to Newmont shareholders. Advanced payments on these amounts of 0.6% of total revenues are paid to the government when the average quoted gold price exceeds $1,300 per ounce within the calendar year. The Revised IAs also still contain commitments with respect to job training for local Ghanaians, community development, purchasing of local goods and services and environmental protection. See Item 1A, Risk Factors for a description of risks inherent in contracts with governments.

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The Ahafo and Akyem mines operate using electrical power generated by the Volta River Authority and transmitted to the sites by the Ghana Grid Company. Ghana has experienced power generation challenges, which has resulted in power rationing. The Ghana Power Project added 27MW of co-generation diesel power capacity to enable uninterrupted operation of the Ahafo and Akyem processing plants and allow safe, sustainable production in the Africa Region.

Ahafo, Ghana. (100% owned) The Ahafo mine is located near Kenyasi in the Brong Ahafo Region of Ghana, approximately 180 miles (290 kilometers) northwest of the national capital city of Accra. The site is accessible by paved roads. The Ahafo mine is operated by Newmont Ghana Gold Limited and is covered by the Ntotoroso concessions. In 2002, Newmont Mining Inc. merged with Normandy Mining Limited and, as a result, acquired the assets of Normandy Ghana Gold Limited, including 50% of the Ntotoroso property. In 2003, Newmont purchased the remaining interest in the Ntotoroso property from Moydow Mines International Inc., thereby making it a solely owned subsidiary. The Ahafo mine commenced commercial production in 2006 and currently operates a mill and three pits.

The Ahafo operations cover an area of approximately 137,000 acres (55,000 hectares) for the mining lease concession with current mine take area of approximately 18,700 acres (7,600 hectares) that has been fully compensated and approximately 6,500 acres (2,600 hectares) of mining area that has not been fully compensated (i.e. payment would be necessary to move people from their land). Ahafo pays a royalty of 2% on net smelter returns to Franco-Nevada for all gold ounces recovered from certain areas and a sliding scale royalty based on the monthly gold price up to 5% on gold production to the government.

The Ahafo mine is composed of three orogenic gold deposits that have oxide and primary mineralization. Gold occurs primarily in pyrite and secondarily as native gold in quartz veins.

Ahafo has three open pits (Subika, Amoma and Awonsu), with current mining from the Amoma and Subika pits. Subika is in the third stage of a four stage pit, whereas Amoma is in the final stage of a two-stage pit. The available mining fleet consists of three shovels and 38 141-tonne haul trucks. The daily production rate is approximately 95,000 tonnes. The processing plant was commissioned in 2006 to process 7.5 million tonnes of primary and oxide ore per year. Currently with the depletion of oxide ore, the plant throughput has decreased to 6.5 million tonnes per year. The processing plant consists of a crushing plant, a grinding circuit, carbon in leach tanks, elution circuit, counter current decantation circuit and a tailings disposal facility.

Ongoing development projects include Subika Underground and the Ahafo Mill Expansion. Subika Underground is currently in the definitive feasibility stage and an investment decision is expected in the first half of 2017. The Ahafo Mill Expansion has the potential to expand the existing plant by 3.5 million tonnes per year through the installation of a new crusher, coarse ore stockpile, a single stage SAG mill and two leach tanks. The Ahafo Mill Expansion is currently in the definitive feasibility stage and an investment decision is expected in the first half of 2017. The expansion would maximize synergies between the Ahafo Mill expansion and Subika underground project at Ahafo and allow for a staged execution approach.

Ahafo’s gross property, plant and mine development at December 31, 2016 was $1,847. Ahafo produced 349,000 ounces of gold in 2016 and reported 9.6 million ounces of gold reserves at December 31, 2016.

Akyem, Ghana. (100% owned) The Akyem mine is located in Birim North District of the Eastern Region of Ghana, approximately 80 miles (125 kilometers) northwest of the national capital city of Accra. The site is accessible by paved roads. In August 2002, Normandy Mining Limited, an Australian company of which La Source SAS was a subsidiary, was acquired by Newmont Mining Corporation and its name changed to Newmont La Source. In line with this acquisition, Golden Ridge Resources which was 85% owned by La Source, became a Newmont subsidiary with the other 15% owned by Kenbert Mines Ltd. In 2006, Newmont, through its subsidiary Newmont La Source, acquired the remaining 15% from Kenbert Mines Ltd. With the 100% ownership, the company's name was changed from Golden Ridge Resources to Newmont Golden Ridge Ltd. In June 2014, the 100% ownership of Newmont Golden Ridge Ltd was changed from Newmont La Source to Newmont Golden Ridge Holdings which is also a wholly owned subsidiary of Newmont. The Akyem operations are comprised of one mill and one open pit mine, and were completed and commenced commercial production in October 2013.

The Akyem operations have an area of approximately 15,500 acres (6,000 hectares) for the mining lease concession. The Akyem mine is situated on two mining leases between the Government of Ghana and Newmont Golden Ridge Limited. The leases grant the exclusive rights to work, develop and produce gold in the lease area for a term of fifteen years, including the processing, storing and transportation of ore and materials. The leases by law require Akyem to respect or perform certain financial and statutory reporting obligations. Akyem pays a sliding scale royalty to the government based on the monthly gold price up to 5% on gold production.

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The Akyem mine is an orogenic gold deposit that has oxide and primary mineralization. The deposit is localized in the Akyem fault zone and gold mineralization is controlled by a series of brittle fracture zones located within the fault zone.

The Akyem mine is an open pit mine consisting of a large main pit and a smaller east pit, connected near the surface. The planned pit covers an area of approximately 345 acres (139 hectares). The available mining fleet consists of two shovels, two excavators and 19 136-tonne haul trucks. The daily production rate is approximately 91,000 tonnes. The Akyem gold processing plant was commissioned in 2013 to treat an average of 8.5 million tonnes of ore annually. The processing plant currently consists of a crushing plant, a SAG and ball milling circuit, carbon-in-leach, elution and bullion smelting facilities and a tailings storage facility.

Exploration efforts at Akyem are focused on defining the extension of the known mineralization below the planned pit shell.

Akyem’s gross property, plant and mine development at December 31, 2016 was $1,295. Akyem produced 470,000 ounces of gold in 2016 and reported 3.3 million ounces of gold reserves at December 31, 2016.

Operating Statistics

The following tables detail operating statistics related to gold production, ounces sold and production costs per ounce:

	North America			South America (4)		
Years Ended December 31,	2016	2015	2014	2016	2015	2014
Tons mined (000 dry short tons):						
Open pit	218,411	193,387	216,792	104,713	80,627	116,332
Underground	2,864	2,652	2,499	—	—	—
Tons processed (000 dry short tons):						
Mill	25,941	24,272	26,258	9,006	6,683	6,901
Leach	45,109	28,859	37,996	30,639	36,645	32,715
Average ore grade (oz/ton):						
Mill	0.074	0.070	0.064	0.063	0.095	0.113
Leach	0.019	0.016	0.015	0.012	0.016	0.019
	78.5 %	81.0 %	81.7 %	79.4 %	80.2 %	82.3 %

Average mill recovery rate						
Ounces produced (000):						
Mill	1,501	1,374	1,328	434	512	638
Leach	523	269	299	325	406	330
Development (1)	—	—	4	—	—	2
Consolidated	2,024	1,643	1,631	759	918	970
Attributable	2,024	1,643	1,631	414	471	498
Consolidated ounces sold (000)	2,017	1,640	1,646	736	924	966
Production costs per ounce sold: (2)						
Direct mining and production costs	$ 723	$ 781	$ 741	$ 737	$ 558	$ 625
By-product credits	(11)	(9)	(21)	(11)	(8)	(10)
Royalties and production taxes	15	17	11	38	28	31
Write-downs and inventory change	(25)	(31)	29	(5)	29	56
Costs applicable to sales	702	758	760	759	607	702
Depreciation and amortization	207	189	164	408	361	350
Reclamation and remediation	6	6	4	42	31	32
Total production costs	$ 915	$ 953	$ 928	$ 1,209	$ 999	$ 1,084
All-in sustaining costs per ounce sold (3)	$ 869	$ 979	$ 1,007	$ 1,052	$ 949	$ 1,001

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	Asia Pacific			Africa		
Years Ended December 31,	2016	2015	2014	2016	2015	2014
Tons mined (000 dry short tons):						
Open pit	126,619	127,071	145,990	75,048	75,919	82,380
Underground	3,279	3,445	3,730	—	—	—
Tons milled (000 dry short tons)	51,606	50,546	49,765	17,289	15,307	16,243
Average ore grade (oz/ton)	0.037	0.039	0.038	0.052	0.056	0.062
Average mill recovery rate	86.4 %	86.4 %	86.9 %	91.1 %	90.3 %	92.2 %
Ounces produced (000):						
Mill	1,641	1,665	1,639	819	805	914
Development (1)	—	—	1	—	—	—
Consolidated	1,641	1,665	1,640	819	805	914
Consolidated ounces sold (000)	1,624	1,684	1,633	822	804	923
Production costs per ounce sold: (2)						
Direct mining and production costs	$ 605	$ 620	$ 825	$ 553	$ 559	$ 525
By-product credits	(7)	(9)	(12)	(2)	(2)	(2)
Royalties and production taxes	32	30	31	50	44	52
Write-downs and inventory change	—	26	(55)	65	(79)	(105)
Costs applicable to sales	630	667	789	666	522	470
Depreciation and amortization	135	146	164	270	186	159
Reclamation and remediation	7	8	8	8	9	5
Total production costs	$ 772	$ 821	$ 961	$ 944	$ 717	$ 634
All-in sustaining costs per ounce sold (3)	$ 786	$ 818	$ 975	$ 833	$ 718	$ 647

	Total Gold (4)		
Years Ended December 31,	2016	2015	2014
Ounces produced (000):			
Mill	4,395	4,356	4,519
Leach	848	675	629
Development (1)	—	—	7
Consolidated	5,243	5,031	5,155

Attributable	4,898	4,584	4,683
Consolidated ounces sold (000)	5,199	5,052	5,168
Production costs per ounce sold: (2)			
Direct mining and production costs	$ 661	$ 652	$ 708
By-product credits	(8)	(8)	(13)
Royalties and production taxes	29	28	28
Write-downs and inventory change	—	(9)	(16)
Costs applicable to sales	682	663	707
Depreciation and amortization	225	209	202
Reclamation and remediation	12	12	11
Total production costs	$ 919	$ 884	$ 920
All-in sustaining costs per ounce sold (3)	$ 912	$ 933	$ 996

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The following table details operating statistics related to copper production, pounds sold and production costs per pound.

	North America			Asia Pacific		
Years Ended December 31,	2016	2015	2014	2016	2015	2014
Tons milled (000 dry short tons)	12,057	11,021	12,378	41,813	41,029	39,090
Average milled grade	0.13 %	0.14 %	0.15 %	0.13 %	0.13 %	0.12 %
Average mill recovery rate	70.5 %	72.9 %	71.1 %	79.4 %	78.5 %	77.2 %
Tons leached (000 dry short tons)	7,725	7,252	3,571	—	—	—
Average leached grade	0.21 %	0.18 %	0.24 %	—	—	—
Consolidated pounds produced (millions)	42	46	46	77	79	69
Consolidated tonnes produced (thousands)	19	21	21	35	36	31
Consolidated pounds sold (millions)	40	47	46	76	82	66
Production costs per pound sold: (2)						
Costs applicable to sales	$ 2.48	$ 1.97	$ 2.37	$ 1.67	$ 1.71	$ 2.38
Depreciation and amortization	0.66	0.45	0.39	0.32	0.31	0.38
Reclamation and remediation	0.04	0.05	0.02	0.02	0.02	0.03
Total production costs	$ 3.18	$ 2.47	$ 2.78	$ 2.01	$ 2.04	$ 2.79
All-in sustaining costs per pound sold (3)	$ 2.88	$ 2.30	$ 2.83	$ 2.00	$ 2.06	$ 3.09

	Total Copper		
Years Ended December 31,	2016	2015	2014
Tons milled (000 dry short tons)	53,870	52,050	51,468
Average grade	0.13 %	0.13 %	0.13 %
Average recovery rate	77.4 %	77.3 %	75.5 %
Tons leached (000 dry short tons)	7,725	7,252	3,571
Average leached grade	0.21 %	0.18 %	0.24 %
Consolidated pounds produced (millions)	119	125	115
Consolidated tonnes produced (thousands)	54	57	52
Consolidated pounds sold (millions)	116	129	112
Production costs per pound sold: (2)			
Costs applicable to sales	$ 1.95	$ 1.80	$ 2.38
Depreciation and amortization	0.44	0.36	0.38
Reclamation and remediation	0.03	0.03	0.02
Total production costs	$ 2.42	$ 2.19	$ 2.78

All-in sustaining costs per pound sold (3)	$ 2.30	$ 2.15	$ 2.98

(1) Ounces from the removal and production of de minimis saleable materials during development. Related sales are recorded in Other income, net of incremental mining and processing costs.

(2) Production costs do not include items that are included in sustaining costs such as General and administrative; Exploration; Advanced projects, research and development; Other expense, net and Sustaining capital.

(3) All-In Sustaining Costs is a non-GAAP financial measure. See Non-GAAP Financial Measures beginning on page 77.

(4) Attributable ounces produced in South America were reduced by $66 and $67 in 2015 and 2014, respectively, for ounces removed related to La Zanja which were included previously.

Proven and Probable Reserves

We had attributable proven and probable gold reserves of 68.5 million ounces at December 31, 2016, calculated at a gold price assumption of $1,200 or A$1,600 per ounce. Our 2016 reserves would increase by 4% (3 million ounces), or decline by 6% (4 million ounces), if calculated at a $1,300 and $1,100 per ounce gold price, respectively, with all other assumptions remaining constant. For 2015, reserves were calculated at a gold price assumption of $1,200 or A$1,500 per ounce.

At December 31, 2016, our attributable proven and probable gold reserves in North America were 28.9 million ounces. Outside of North America, year-end attributable proven and probable gold reserves were 39.6 million ounces, including 6.5 million ounces in South America, 20.3 million ounces in Asia Pacific and 12.8 million ounces in Africa.

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Our attributable proven and probable copper reserves at December 31, 2016 were 2,490 million pounds. For 2016, reserves were calculated at a copper price assumption of $2.50 or A$3.35 per pound. For 2015, reserves were calculated at a copper price assumption of $2.75 or A$3.45 per pound.

Our attributable proven and probable silver reserves at December 31, 2016 were 89.3 million ounces. For 2016, reserves were calculated at a silver price assumption of $17 per ounce. For 2015, reserves were calculated at a silver price assumption of $19 per ounce. Silver reserves are generally a by-product of gold and/or copper reserves, with significant enough levels to be estimated and included in calculations for mine planning and operations.

Under our current mining plans, all of our reserves are located on fee property or mining claims or will be depleted during the terms of existing mining licenses or concessions, or where applicable, any assured renewal or extension periods for such licenses or concessions.

Proven and probable reserves are based on extensive drilling, sampling, mine modeling and metallurgical testing from which we determined economic feasibility. Metal price assumptions, adjusted for our exchange rate assumption, follow SEC guidance not to exceed a three year trailing average. The price sensitivity of reserves depends upon several factors including grade, metallurgical recovery, operating cost, waste-to-ore ratio and ore type. Metallurgical recovery rates vary depending on the metallurgical properties of each deposit and the production process used. The reserve tables below list the average metallurgical recovery rate for each deposit, which takes into account the relevant processing methods. The cut-off grade, or lowest grade of mineralization considered economic to process, varies with material type, price, metallurgical recoveries, operating costs and co- or by-product credits.

The proven and probable reserve figures presented herein are estimates based on information available at the time of calculation. No assurance can be given that the indicated levels of recovery of gold and copper will be realized. Ounces of gold or pounds of copper included in the proven and probable reserves are those contained prior to losses during metallurgical treatment. Reserve estimates may require revision based on actual production. Market fluctuations in the price of gold and copper, as well as increased production costs or reduced metallurgical recovery rates, could render certain proven and probable reserves containing higher cost reserves uneconomic to exploit and might result in a reduction of reserves.

We publish reserves annually, and will recalculate reserves at December 31, 2017, taking into account metal prices, changes, if any, to future production and capital costs, divestments and depletion as well as any acquisitions and additions during 2017.

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The following tables detail gold proven and probable reserves reflecting only those reserves attributable to Newmont's ownership or economic interest at December 31, 2016 and 2015:

eserves At December 31, 2016 (1)

		Proven Reserves			Probable Reserves			Proven and Probable Reserves			
ts/Districts	Newmont Share	Tonnage (2) (000)	Grade (oz/ton)	Ounces (3) (000)	Tonnage (2) (000)	Grade (oz/ton)	Ounces (3) (000)	Tonnage (2) (000)	Grade (oz/ton)	Ounces (3) (000)	Metallur Recovery
America											
Open Pits											
	100%	67,900	0.058	3,960	187,400	0.024	4,540	255,300	0.033	8,500	63%
Stockpiles											
	100%	21,200	0.063	1,330	—		—	21,200	0.063	1,330	81%
round (6)	100%	12,000	0.299	3,580	6,600	0.240	1,590	18,600	0.278	5,170	85%
arlin,											
		101,100	0.088	8,870	194,000	0.032	6,130	295,100	0.051	15,000	72%
(7)	100%	4,800	0.025	120	251,800	0.017	4,220	256,600	0.017	4,340	76%
ee (8)	100%	2,600	0.007	20	1,200	0.020	20	3,800	0.011	40	57%
noenix,											
		7,400	0.019	140	253,000	0.017	4,240	260,400	0.017	4,380	76%
ise Ridge											
	25%	1,500	0.453	710	1,400	0.458	630	2,900	0.455	1,340	92%
reeks (10)	100%	3,700	0.046	180	26,200	0.054	1,410	29,900	0.053	1,590	77%
reeks											
les (5)	100%	32,000	0.063	2,000	—		—	32,000	0.063	2,000	74%
win											
Nevada		37,200	0.078	2,890	27,600	0.074	2,040	64,800	0.076	4,930	80%
anyon,											
(11)	100%	—		—	19,200	0.061	1,170	19,200	0.061	1,170	76%
(12)	100%	72,500	0.022	1,560	17,900	0.017	310	90,400	0.021	1,870	62%
Leach Pad											
	100%	—		—	48,500	0.025	1,210	48,500	0.025	1,210	57%
Stockpiles											
	100%	2,800	0.112	310	—		—	2,800	0.112	310	70%
C&V,											
do		75,300	0.025	1,870	66,400	0.023	1,520	141,700	0.024	3,390	61%
		221,000	0.062	13,770	560,200	0.027	15,100	781,200	0.037	28,870	73%
America											
cha Open											
)	51.35%	17,900	0.018	310	81,400	0.018	1,500	99,300	0.018	1,810	69%
cha Leach											
)	51.35%	8,600	0.020	170	—		—	8,600	0.020	170	67%
cha											
les (5)	51.35%	5,800	0.044	260	—		—	5,800	0.044	260	63%
		32,300	0.023	740	81,400	0.018	1,500	113,700	0.020	2,240	69%

anacocha,											
, Suriname											
	75%	—		—	116,800	0.037	4,290	116,800	0.037	4,290	93%
		32,300	0.023	740	198,200	0.029	5,790	230,500	0.028	6,530	85%
cific											
gton Open											
	100%	226,400	0.022	5,020	241,200	0.022	5,280	467,600	0.022	10,300	84%
gton											
les (5)	100%	15,800	0.016	250	83,800	0.013	1,090	99,600	0.013	1,340	77%
oddington,											
n Australia		242,200	0.022	5,270	325,000	0.020	6,370	567,200	0.021	11,640	83%
, Northern											
y (17)	100%	6,300	0.153	960	19,300	0.182	3,520	25,600	0.175	4,480	96%
rlie Open											
round (18)	50%	9,800	0.060	580	30,400	0.064	1,950	40,200	0.063	2,530	84%
rlie											
les (5)	50%	70,100	0.023	1,610	—		—	70,100	0.023	1,610	76%
algoorlie,											
n Australia		79,900	0.027	2,190	30,400	0.064	1,950	110,300	0.038	4,140	81%
		328,400	0.026	8,420	374,700	0.032	11,840	703,100	0.029	20,260	86%
South Open											
)	100%	13,900	0.066	920	50,600	0.051	2,580	64,500	0.054	3,500	90%
round (20)	100%	—		—	11,700	0.131	1,530	11,700	0.131	1,530	94%
Stockpiles											
	100%	42,000	0.028	1,190	—		—	42,000	0.028	1,190	87%
hafo											
Ghana		55,900	0.038	2,110	62,300	0.066	4,110	118,200	0.053	6,220	90%
North,											
(21)	100%	—		—	47,900	0.069	3,330	47,900	0.069	3,330	91%
Open Pit											
	100%	17,200	0.049	840	43,500	0.047	2,040	60,700	0.047	2,880	89%
Stockpiles											
	100%	10,800	0.035	370	—		—	10,800	0.035	370	89%
kyem,											
		28,000	0.043	1,210	43,500	0.047	2,040	71,500	0.045	3,250	89%
		83,900	0.040	3,320	153,700	0.062	9,480	237,600	0.054	12,800	90%
old		665,600	0.039	26,250	1,286,800	0.033	42,210	1,952,400	0.035	68,460	81%

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eserves At December 31, 2015 (1)

		Proven Reserves			Probable Reserves			Proven and Probable Reserves			
ts/Districts	Newmont Share	Tonnage (2) (000)	Grade (oz/ton)	Ounces (3) (000)	Tonnage (2) (000)	Grade (oz/ton)	Ounces (3) (000)	Tonnage (2) (000)	Grade (oz/ton)	Ounces (3) (000)	Metallurg Recovery
America											
Open Pits	100%	76,400	0.056	4,300	181,900	0.028	5,050	258,300	0.036	9,350	66%
Stockpiles											
	100%	22,800	0.059	1,330	—		—	22,800	0.059	1,330	83%
ground	100%	15,700	0.257	4,030	7,300	0.285	2,070	23,000	0.266	6,100	84%
Carlin,											
a		114,900	0.084	9,660	189,200	0.038	7,120	304,100	0.055	16,780	74%
x	100%	20,500	0.021	430	271,000	0.017	4,670	291,500	0.017	5,100	76%
Tree	100%	3,700	0.007	30	—		—	3,700	0.007	30	39%
hoenix,											
a		24,200	0.019	460	271,000	0.017	4,670	295,200	0.017	5,130	76%
oise Ridge											
	25%	1,600	0.461	750	1,500	0.431	650	3,100	0.446	1,400	92%
Creeks	100%	7,600	0.071	540	24,500	0.049	1,200	32,100	0.054	1,740	75%
Creeks											
iles (5)	100%	35,600	0.064	2,280	—		—	35,600	0.064	2,280	70%
Twin											
, Nevada		44,800	0.080	3,570	26,000	0.071	1,850	70,800	0.077	5,420	77%
Canyon,											
a	100%	—		—	18,000	0.067	1,200	18,000	0.067	1,200	76%
	100%	69,500	0.019	1,290	31,300	0.037	1,150	100,800	0.024	2,440	65%
Leach Pad											
	100%	—		—	46,000	0.025	1,160	46,000	0.025	1,160	61%
Stockpiles											
	100%	—		—	2,700	0.084	230	2,700	0.084	230	81%
CC&V,											
do		69,500	0.019	1,290	80,000	0.032	2,540	149,500	0.026	3,830	64%
		253,400	0.059	14,980	584,200	0.030	17,380	837,600	0.039	32,360	74%
America											
ocha Open											
	51.35%	26,300	0.016	410	86,900	0.018	1,530	113,200	0.017	1,940	71%
ocha Leach											
3)	51.35%	12,600	0.019	240	—		—	12,600	0.019	240	68%
ocha											
iles (5)	51.35%	7,800	0.052	410	—		—	7,800	0.052	410	67%
Yanacocha,											
		46,700	0.023	1,060	86,900	0.018	1,530	133,600	0.019	2,590	70%
, Suriname	75%	—		—	110,600	0.035	3,840	110,600	0.035	3,840	89%
		46,700	0.023	1,060	197,500	0.027	5,370	244,200	0.026	6,430	81%
acific											
	100%	107,400	0.020	2,150	404,300	0.021	8,300	511,700	0.020	10,450	83%

gton Open											
gton											
iles (5)	100%	19,500	0.016	310	73,900	0.013	970	93,400	0.014	1,280	77%
Goddington,											
n Australia		126,900	0.019	2,460	478,200	0.019	9,270	605,100	0.019	11,730	83%
i, Northern											
ry	100%	6,100	0.163	1,000	14,400	0.170	2,460	20,500	0.168	3,460	96%
rlie Open											
ground	50%	11,100	0.059	650	34,100	0.059	2,000	45,200	0.059	2,650	84%
rlie											
iles (5)	50%	66,000	0.023	1,500	—		—	66,000	0.023	1,500	76%
Kalgoorlie,											
n Australia		77,100	0.028	2,150	34,100	0.059	2,000	111,200	0.037	4,150	81%
		210,100	0.027	5,610	526,700	0.026	13,730	736,800	0.026	19,340	85%
South Open											
	100%	10,000	0.063	630	62,800	0.053	3,320	72,800	0.054	3,950	90%
ground	100%	—		—	9,300	0.143	1,330	9,300	0.143	1,330	93%
Stockpiles											
	100%	44,800	0.030	1,360	—		—	44,800	0.030	1,360	86%
Ahafo											
Ghana		54,800	0.036	1,990	72,100	0.064	4,650	126,900	0.052	6,640	90%
North,											
	100%	—		—	36,900	0.071	2,620	36,900	0.071	2,620	92%
Open Pit	100%	19,900	0.050	1,000	47,200	0.048	2,260	67,100	0.049	3,260	88%
Stockpiles											
	100%	10,000	0.040	400	—		—	10,000	0.040	400	89%
Akyem,											
		29,900	0.047	1,400	47,200	0.048	2,260	77,100	0.048	3,660	89%
		84,700	0.040	3,390	156,200	0.061	9,530	240,900	0.054	12,920	90%
Gold from											
ing											
ons		594,900	0.042	25,040	1,464,600	0.031	46,010	2,059,500	0.035	71,050	81%
ijau Open											
donesia	48.5%	101,900	0.017	1,780	32,600	0.008	250	134,500	0.015	2,030	75%
ijau											
iles,											
sia (5)	48.5%	—		—	184,800	0.003	640	184,800	0.003	640	68%
Gold from											
inued											
ons		101,900	0.017	1,780	217,400	0.004	890	319,300	0.008	2,670	73%
Gold		696,800	0.039	26,820	1,682,000	0.028	46,900	2,378,800	0.031	73,720	80%

(1) The term “reserve” means that part of a mineral deposit that can be economically and legally extracted or produced at the time of the reserve determination.

The term “economically,” as used in the definition of reserve, means that profitable extraction or production has been established or analytically demonstrated in a feasibility study to be viable and justifiable under reasonable investment and market assumptions.

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The term “legally,” as used in the definition of reserve, does not imply that all permits needed for mining and processing have been obtained or that other legal issues have been completely resolved. However, for a reserve to exist, Newmont must have a justifiable expectation, based on applicable laws and regulations, that issuance of permits or resolution of legal issues necessary for mining and processing at a particular deposit will be accomplished in the ordinary course and in a timeframe consistent with Newmont’s current mine plans.

The term “proven reserves” means reserves for which (a) quantity is computed from dimensions revealed in outcrops, trenches, workings or drill holes; (b) grade and/or quality are computed from the results of detailed sampling; and (c) the sites for inspection, sampling and measurements are spaced so closely and the geologic character is sufficiently defined that size, shape, depth and mineral content of reserves are well established.

The term “probable reserves” means reserves for which quantity and grade are computed from information similar to that used for proven reserves, but the sites for sampling are farther apart or are otherwise less closely spaced. The degree of assurance, although lower than that for proven reserves, is high enough to assume continuity between points of observation. Newmont classifies all reserves as Probable on its development projects until a year of production has confirmed all assumptions made in the reserve estimates.

Proven and probable reserves include gold, copper or silver attributable to Newmont’s ownership or economic interest.

Proven and probable reserves were calculated using different cut-off grades. The term “cut-off grade” means the lowest grade of mineralized material considered economic to process. Cut-off grades vary between deposits depending upon prevailing economic conditions, mineability of the deposit, by-products, amenability of the ore to gold, copper or silver extraction and type of milling or leaching facilities available.

2016 reserves were calculated at a gold price of $1,200, or A$1,600 per ounce unless otherwise noted.

2015 reserves were calculated at a gold price of $1,200 or A$1,500 per ounce unless otherwise noted.

(2) Tonnages include allowances for losses resulting from mining methods. Tonnages are rounded to the nearest 100,000.

(3) Ounces are estimates of metal contained in ore tonnages and do not include allowances for processing losses. Metallurgical recovery rates represent the estimated amount of metal to be recovered through metallurgical extraction processes. Ounces are rounded to the nearest 10,000.

(4) Cut-off grades utilized in 2016 reserves were as follows: oxide leach material not less than 0.006 ounce per ton; oxide mill material not less than 0.015 ounce per ton; flotation material not less than 0.016 ounce per ton; and

refractory mill material not less than 0.080 ounce per ton.

(5) Stockpiles are comprised primarily of material that has been set aside to allow processing of higher grade material in the mills. Stockpiles increase or decrease depending on current mine plans. Stockpile reserves are reported separately where ounces exceed 100,000 and are greater than 5% of the total site-reported reserves.

(6) Cut-off grade utilized in 2016 reserves not less than 0.044 ounce per ton.

(7) Gold cut-off grade varies with level of copper and silver credits.

(8) Cut-off grade utilized in 2016 reserves not less than 0.006 ounce per ton.

(9) Reserve estimates provided by Barrick, the operator of the Turquoise Ridge joint venture.

(10) Cut-off grades utilized in 2016 reserves were as follows: oxide leach material not less than 0.006 ounce per ton; oxide mill material not less than 0.015 ounce per ton; and refractory mill material not less than 0.034 ounce per ton.

(11) Cut-off grade utilized in 2016 reserves not less than 0.007 ounce per ton.

(12) Cut-off grades utilized in 2016 reserves were as follows: oxide mill material not less than 0.050 ounce per ton and leach material not less than 0.005 ounce per ton.

(13) Leach pad material is the material on leach pads at the end of the year from which gold remains to be recovered. In-process reserves are reported separately where ounces exceed 100,000 and are greater than 5% of the total site-reported reserves.

(14) Cut-off grades utilized in 2016 reserves were as follows: oxide leach material not less than 0.003 ounce per ton; and oxide mill material not less than 0.013 ounce per ton.

(15) Gold cut-off grades utilized in 2016 reserves not less than 0.011 ounce per ton.

(16) Gold cut-off grade varies with level of copper credits.

(17) Cut-off grade utilized in 2016 reserves not less than 0.070 ounce per ton.

(18) Cut-off grade utilized in 2016 in situ reserves not less than 0.026 ounce per ton.

(19) Cut-off grade utilized in 2016 reserves not less than 0.018 ounce per ton.

(20) Project is partially developed with ongoing studies being completed prior to a full-development decision. Cut-off grade utilized in 2016 reserves not less than 0.090 ounce per ton.

(21) Includes undeveloped reserves at six pits in the Ahafo trend totaling 3.3 million ounces. Cut-off grade utilized in 2016 reserves not less than 0.014 ounce per ton.

(22) Cut-off grade utilized in 2016 reserves not less than 0.017 ounce per ton.

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The following tables detail copper proven and probable reserves reflecting only those reserves attributable to Newmont's ownership or economic interest at December 31, 2016 and 2015:

serves At December 31, 2016 (1)

		Proven Reserves Tonnage			Probable Reserves Tonnage			Proven and Probable Reserves Tonnage			
Districts	Newmont Share	(2) (000)	Grade (Cu %)	Pounds (3) (millions)	(2) (000)	Grade (Cu %)	Pounds (3) (millions)	(2) (000)	Grade (Cu %)	Pounds (3) (millions)	Metal Recov
erica											
Nevada											
	100%	19,100	0.21%	80	376,400	0.16%	1,180	395,500	0.16%	1,260	62%
		19,100	0.21%	80	376,400	0.16%	1,180	395,500	0.16%	1,260	62%
ic											
n Open											
rn											
5)	100%	226,400	0.11%	480	241,200	0.12%	580	467,600	0.11%	1,060	79%
n											
,											
ustralia											
	100%	15,800	0.09%	30	83,800	0.08%	140	99,600	0.09%	170	72%
		242,200	0.10%	510	325,000	0.11%	720	567,200	0.11%	1,230	78%
per		261,300	0.11%	590	701,400	0.14%	1,900	962,700	0.13%	2,490	70%

erves At December 31, 2015 (1)

		Proven Reserves Tonnage			Probable Reserves Tonnage			Proven and Probable Reserves Tonnage			
stricts	Newmont Share	(2) (000)	Grade (Cu %)	Pounds (3) (millions)	(2) (000)	Grade (Cu %)	Pounds (3) (millions)	(2) (000)	Grade (Cu %)	Pounds (3) (millions)	Meta Reco
rica											
evada	100%	39,700	0.18%	140	487,700	0.17%	1,610	527,400	0.17%	1,750	63%
		39,700	0.18%	140	487,700	0.17%	1,610	527,400	0.17%	1,750	63%
Open											
	100%	107,400	0.08%	180	404,300	0.12%	980	511,700	0.11%	1,160	77%
stralia											
	100%	19,500	0.09%	30	73,900	0.08%	120	93,400	0.08%	150	66%
		126,900	0.08%	210	478,200	0.12%	1,100	605,100	0.11%	1,310	75%
er from		166,600	0.10%	350	965,900	0.15%	2,710	1,132,500	0.14%	3,060	68%

Open ia	48.5%	101,900	0.53%	1,080	32,600	0.40%	260	134,500	0.50%	1,340	78%
6) er from d	48.5%	—		—	184,800	0.34%	1,270	184,800	0.34%	1,270	62%
		101,900	0.53%	1,080	217,400	0.35%	1,530	319,300	0.41%	2,610	70%
er		268,500	0.27%	1,430	1,183,300	0.18%	4,240	1,451,800	0.20%	5,670	69%

(1) See footnote (1) to the Gold Proven and Probable Reserves tables above. Copper reserves for 2016 were calculated at a copper price of $2.50 or A$3.35 per pound. Copper reserves for 2015 were calculated at a copper price of $2.75 or A$3.45 per pound.

(2) See footnote (2) to the Gold Proven and Probable Reserves tables above. Tonnages are rounded to nearest 100,000.

(3) See footnote (3) to the Gold Proven and Probable Reserves tables above. Pounds are rounded to the nearest 10 million.

(4) Copper cut-off grade varies with level of gold and silver credits.

(5) Copper cut-off grade varies with level of gold credits.

(6) Stockpiles are comprised primarily of material that has been set aside to allow processing of higher grade material in the mills. Stockpiles increase or decrease depending on current mine plans. Stockpiles are reported separately where pounds exceed 100 million and are greater than 5% of the total site reported reserves.

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The following tables detail silver proven and probable reserves reflecting only those reserves attributable to Newmont's ownership or economic interest at December 31, 2016 and 2015:

Reserves At December 31, 2016 (1)

		Proven Reserves			Probable Reserves			Proven and Probable Reserves			
its/Districts	Newmont Share	Tonnage (2) (000)	Grade (oz/ton)	Ounces (3) (000)	Tonnage (2) (000)	Grade (oz/ton)	Ounces (3) (000)	Tonnage (2) (000)	Grade (oz/ton)	Ounces (3) (000)	Metallurg Recovery
America											
ix, Nevada	100%	4,800	0.29	1,390	251,800	0.24	59,520	256,600	0.24	60,910	38%
		4,800	0.29	1,390	251,800	0.24	59,520	256,600	0.24	60,910	38%
America											
ocha Open											
eru	51.35%	17,900	0.21	3,680	29,000	0.22	6,350	46,900	0.21	10,030	16%
ocha											
iles, Peru (4)	51.35%	5,500	1.10	5,990	—		—	5,500	1.10	5,990	20%
ocha Leach											
eru (5)	51.35%	—		—	50,500	0.25	12,390	50,500	0.25	12,390	6%
		23,400	0.41	9,670	79,500	0.24	18,740	102,900	0.28	28,410	12%
Silver		28,200	0.39	11,060	331,300	0.24	78,260	359,500	0.25	89,320	30%

Reserves At December 31, 2015 (1)

		Proven Reserves			Probable Reserves			Proven and Probable Reserves			
ts/Districts	Newmont Share	Tonnage (2) (000)	Grade (oz/ton)	Ounces (3) (000)	Tonnage (2) (000)	Grade (oz/ton)	Ounces (3) (000)	Tonnage (2) (000)	Grade (oz/ton)	Ounces (3) (000)	Metallurg Recovery
America											
x, Nevada	100%	20,500	0.27	5,610	269,000	0.25	67,900	289,500	0.25	73,510	38%
		20,500	0.27	5,610	269,000	0.25	67,900	289,500	0.25	73,510	38%
America											
ocha Open											
eru	51.35%	26,300	0.19	5,090	37,500	0.20	7,390	63,800	0.20	12,480	15%
ocha											
iles, Peru (4)	51.35%	7,800	0.99	7,720	—		—	7,800	0.99	7,720	21%
ocha Leach											
eru (5)	51.35%	—		—	45,000	0.24	10,600	45,000	0.24	10,600	2%
		34,100	0.38	12,810	82,500	0.22	17,990	116,600	0.26	30,800	12%
Silver from											
ing											
ons		54,600	0.34	18,420	351,500	0.24	85,890	406,100	0.26	104,310	30%
ijau Open											
donesia	48.5%	101,900	0.05	4,860	32,600	0.03	940	134,500	0.04	5,800	79%
	48.5%	—		—	184,800	0.02	3,160	184,800	0.02	3,160	71%

ijau										
iles,										
sia (4)										
ilver from										
inued										
ons	101,900	0.05	4,860	217,400	0.02	4,100	319,300	0.03	8,960	77%
ilver	156,500	0.15	23,280	568,900	0.16	89,990	725,400	0.16	113,270	34%

(1) See footnote (1) to the Gold Proven and Probable Reserves tables above. Silver reserves for 2016 were calculated at a silver price of $17. Silver reserves for 2015 were calculated at a silver price of $19.

(2) See footnote (2) to the Gold Proven and Probable Reserves tables above. Tonnages are rounded to nearest 100,000.

(3) See footnote (3) to the Gold Proven and Probable Reserves tables above.

(4) Stockpiles are comprised primarily of material that has been set aside to allow processing of higher grade material in the mills. Stockpiles increase or decrease depending on current mine plans. Stockpile reserves are reported separately where ounces exceed 100,000 and are greater than 5% of the total site-reported reserves.

(5) Leach Pad material is the material on leach pads at the end of the year from which silver remains to be recovered. In-process material reserves are reported separately where tonnage or ounces are greater than 5% of the total site-reported reserves and ounces are greater than 100,000.

The following table reconciles 2016 and 2015 gold, copper and silver proven and probable reserves:

	Gold Ounces (in millions)	Copper Pounds	Silver Ounces
December 31, 2015 (1)	73.7	5,670	113.3
Depletion (2)	(6.0)	(170)	(7.6)
Revisions and additions, net (3)	3.4	(400)	(7.4)
Divestments (4)	(2.3)	(2,390)	(7.9)
Discontinued Operations (5)	(0.3)	(220)	(1.1)
December 31, 2016	68.5	2,490	89.3

(1) The opening balances include 2.6 million gold ounces, 2,610 million copper pounds and 9.0 million silver ounces related to Batu Hijau. For further information regarding our discontinued operations, see Note 3 to the Consolidated Financial Statements.

(2) Reserves mined and processed in 2016.

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(3) Revisions and additions are due to reserve conversions, reclassification of reserves to mineralized material, optimizations, model updates, metal price changes and updated operating costs and recoveries.

(4) Divestments relate to the sale of Batu Hijau, which the Company sold on November 2, 2016.

(5) Amounts relate to depletion, revisions and additions activity at Batu Hijau Batu Hijau (previously included in the Asia Pacific region), which was sold on November 2, 2016 and classified as discontinued operations. For further information regarding our discontinued operations, see Note 3 to the Consolidated Financial Statements.

Mineralized Material

We had attributable gold mineralized material of 1,439 million tons at an average grade of 0.023 ounces per ton at December 31, 2016, calculated at a gold price assumption of $1,400 or A$1,750 per ounce. For 2015, attributable gold mineralized material was calculated at a gold price assumption of $1,400 or A$1,650 per ounce.

At December 31, 2016, our gold mineralized material included 482 million tons in North America, 485 million tons in South America, 409 million tons in Asia Pacific, and 63 million tons in Africa.

At December 31, 2016, our attributable copper mineralized material of 1,097 million tons at a grade of 0.19% was calculated at a copper price assumption of $3.00 or A$3.75 per pound. For 2015, attributable copper mineralized material was calculated at a copper price assumption of $3.50 or A$4.15 per pound.

At December 31, 2016, our attributable silver mineralized material of 636 million tons at a grade of 0.15 ounces per ton was calculated at a silver price assumption of $20 per ounce. For 2015, attributable silver mineralized material was calculated at a silver price assumption of $24. Silver mineralized material is generally a by-product of gold and/or copper mineralized material estimates, with significant enough levels to be estimated and included in future calculations of potential economic extraction.

All of our mineralized material is located on fee property or mining claims. Mineralized material is a mineralized ore body which has been intersected by a sufficient number of closely spaced drill holes and/or underground sampling to support sufficient tonnage and average grade of metal(s) to warrant further exploration development work. The deposit does not qualify as a commercially minable ore body until it can be legally and economically extracted or produced at the time of the reserve determination. Metal price assumptions are based on approximately a twenty to thirty percent premium over reserve prices.

The mineralized material figures presented herein do not include that part of our mineralized material that has been converted to Proven and Probable Reserves as shown above, as they are reported exclusive of reserves, and have been

estimated based on information available at the time of calculation. Market fluctuations in the price of gold, copper and silver, as well as increased production costs or reduced metallurgical recovery rates, could render certain mineralized material containing lower grades of mineralization uneconomic to exploit and might result in a reduction of mineralized material.

We will publish mineralized materials annually, and will recalculate them at December 31, 2017, taking into account metal prices, changes, if any, in future production and capital costs, divestments and conversion to reserves, as well as any acquisitions and additions during 2017.

Mineralized material is reported exclusive of reserves. Mineralized material as used in this annual report, although permitted by the SEC, does not indicate “reserves” as defined in the SEC’s Industry Guide 7. Newmont cannot be certain that any part of the reported mineralized material will ever be confirmed or converted into SEC Industry Guide 7 compliant “reserves.” Investors are cautioned not to assume that all or any part of the mineralized material will ever be confirmed or converted into reserves or that mineralized material can be economically or legally extracted.

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The following tables detail mineralized material reflecting only those that are attributable to Newmont's ownership or economic interest at December 31, 2016 and 2015:

Mineralized Material At December 31, 2016 (1)(2)

Deposits/Districts	Newmont Share	Gold Tonnage (000)	Grade (oz/ton)	Copper Tonnage (000)	Grade (Cu %)	Silver Tonnage (000)	Grade (oz/ton)
North America							
Carlin Trend Open Pit	100%	100,300	0.036	—		—	
Carlin Trend Underground	100%	3,200	0.223	—		—	
Total Carlin, Nevada		103,500	0.042	—		—	
Phoenix	100%	178,100	0.014	257,000	0.13%	178,100	0.21
Buffalo Valley	70%	15,500	0.019	—		—	
Total Phoenix, Nevada		193,600	0.014	257,000	0.13%	178,100	0.21
Twin Creeks	100%	31,600	0.062	—		—	
Twin Creeks Stockpiles (3)	100%	7,700	0.059	—		—	
Sandman	100%	1,300	0.036	—		1,300	0.20
Turquoise Ridge (4)	25%	1,400	0.463	—		—	
Total Twin Creeks, Nevada		42,000	0.074				