

# 2022 Gold Forum Americas Transcript

*Tom Palmer, President and Chief Executive Officer*

DENVER -- [Newmont Corporation's](https://www.newmont.com) (NYSE: NEM, TSX: NGT) (Newmont or the Company) Tom Palmer (President and Chief Executive Officer) has presented at the 2022 World Gold Forum Americas on Tuesday, September 20<sup>th</sup> at 10:30 am (MDT). The presentation is available on [www.Newmont.com](https://www.newmont.com) along with a full copy of the presentation transcript below. Investors are reminded that statements in this presentation script should be considered in conjunction with the cautionary note on slide 2 and the endnotes on slides 14 and 15 of such presentation, along with the Company's SEC filings.

Investors are invited to register for the webcast at <https://www.denvergold.org/company-live-session/gfa22/89/>, and Newmont will provide an edited version of the transcript to include any questions and answers provided during the live presentation.

## **Slide 1 and 2: Cover Slide and Cautionary Statement**

Thank you, Jackie... and thank you all joining us this morning.

Before I begin, I invite you to review our cautionary statement on the next slide.

## **Slide 3: Newmont is the World's Leading Gold Company**

2022 has been a unique and challenging year for Newmont and the mining industry as a whole. Over the last 9 months, we have observed the continued impacts from the pandemic, Russia's invasion of Ukraine, an increasingly competitive labor market, and the highest global inflation rates in 40 years.

Yet in this environment, Newmont benefits from over 100 years of history and experience... differentiating ourselves in four key areas:

- First and foremost, Newmont has a long history of leading change in our approach to environmental, social, and governance matters. These practices have been embedded in our culture and strategy and are woven into the very fabric of our company.
- Second, Newmont has created an unmatched, global portfolio of world-class operations and projects with both the scale and mine life to sustain our business and continue leading the industry for decades to come.
- Third, these assets are managed through our integrated operating model which is supported by a deep bench of experienced leaders and a proven track record of delivering value.
- Finally, our disciplined approach to capital allocation allows us to maintain financial strength and flexibility, while balancing steady reinvestment into our business with industry-leading returns to shareholders.

#### **Slide 4: The Gold Sector's Recognized Sustainability Leader**

At Newmont, our core values are safety, sustainability, integrity, inclusion, and responsibility... Together they are fundamental to how we run our business, where we choose to operate, and how we conduct ourselves on a daily basis.

We take pride in being a values-driven organization with a clear purpose... we remain committed to high standards for accountability and transparency... And we consistently rank among the most transparent companies in the S&P 500.

This commitment along with Newmont's leading ESG practices have positioned us as the gold sector's recognized sustainability leader... we are focused on creating long-term value for all of our stakeholders by:

- Delivering safer, more efficient and reliable operations...
- Responsibly developing and operating our assets in a broad range of top-tier jurisdictions, while delivering on our commitments to host governments and communities...
- Proactively managing risks and addressing the emergent issues that face our industry and our world today...
- And most importantly, conducting our activities transparently and fostering trust-based relationships... which is a fundamental principle that is more important today than ever before.

### **Slide 5: Best Portfolio of Operations and Projects in the Industry**

To navigate the challenges in today's unprecedented and evolving market environment, we will need to leverage our leading ESG practices, our integrated operating model and importantly – the strength and depth of our world-class asset base.

At Newmont, we have created a robust and diverse portfolio of operations... along with a pipeline of more than 20 organic projects with the scale and mine life to deliver strong long-term results.

Newmont will produce more than 6 million ounces of gold each year and almost 2 million gold equivalent ounces from copper, silver, lead and zinc. Combined, that is nearly 8 million gold equivalent ounces per year for at least the next decade – the most of any company in our industry.

Among our 12 operating mines and 2 joint ventures, nearly 90 percent of our attributable gold production comes from top-tier jurisdictions... because we firmly believe that where we choose to invest and operate matters.

And underpinning our portfolio is a robust foundation of reserves and resources, which combined with the gold industry's best organic project pipeline provides the pathway to steady production and cash flow well into the 2040's.

These projects and operations are managed through a proven integrated operating model... and at Newmont, we are able to attract and develop a team of experienced leaders and technical experts who have a strong track record of delivering long-term value.

### **Slide 6: Disciplined Capital Allocation Strategy**

Through the strength of Newmont's portfolio and integrated operating model, we maintain a disciplined and balanced approach to capital allocation... a key component in sustainably managing a mining business through the commodity cycles.

Our capital allocation priorities remain unchanged and follow a clear hierarchy:

- First and foremost, to maintain the industry's strongest balance sheet with financial strength and flexibility...
- Second, to reinvest in our business through exploration and organic growth...
- And finally, to return excess cash to shareholders through dividends and opportunistic share buybacks.

I'll take a moment to step through each of these priorities... explaining their significance to Newmont and how they work together in order for us to deliver a long-term, stable outlook.

## **Slide 7: The Industry's Strongest Balance Sheet**

Underpinned by the largest production base in the sector, Newmont has established the industry's strongest balance sheet... providing both strategic and tactical resilience in the current uncertain global economic conditions. We have made a deliberate effort over a number of years to build a very robust platform by:

- Growing our cash balances to \$4.3 billion dollars with total liquidity of \$7.3 billion dollars...
- Responsibly managing our long-term debt through refinancing at historically low-coupon rates in 2020 and again in 2021... This included the launch of the mining industry's first sustainability-linked bond, further aligning our finance strategy with our ESG commitments...
- Achieving a net debt to EBITDA ratio of 0.3 times... well below our target of 1.0x...
- And with an investment-grade balance sheet and no debt due until 2029, Newmont is in a strong financial position... allowing us to be resilient and agile in times of market instability, whilst we continue to build a profitable and sustainable future.

## **Slide 8: Steady Investment in Sustainable Growth**

From this robust foundation, our next capital allocation priority is to sustainably reinvest in value-accretive projects from our industry-leading organic project pipeline.

Our long-term outlook assumes an annual investment of around \$1 billion dollars in sustaining capital, \$600 to \$800 million dollars in development capital, and \$400 million dollars in exploration and studies. Combined, this is an average annual investment of at

least \$2 billion dollars every year... a critical component in Newmont's strategy to sustain strong production levels and improve margins over the long term.

We have entered a period of meaningful reinvestment as we continue to advance our near-term projects... including the construction of a mile-deep production shaft and the associated infrastructure at Tanami in Australia's Northern Territory, the development of our new mine, Ahafo North, in Ghana, and the Yanacocha Sulfides project in Peru.

As we announced last week, we have made the disciplined decision to re-sequence our Yanacocha Sulfides project for several important reasons: to manage project execution risk, to move out of a period of significant inflation, and to balance our development capital cash flows.

To support this decision, I have also taken one of my best leaders in Dean Gehring to review the scope and pace of this project. Dean is uniquely qualified to provide leadership and oversight to both this project and our existing operations at Yanacocha.

### **Slide 9: Industry-leading Dividend Framework**

So, on the back of a strong balance sheet and reinvesting into our business, our final capital allocation priority is to return excess cash to our shareholders.

Two years ago, Newmont was the first in the gold industry to announce a clear dividend framework... providing our shareholders with a sustainable base dividend calibrated at our reserve price assumption of \$1,200 dollars per ounce. In addition, our shareholders have the potential to receive between 40 to 60 percent of the incremental free cash flow we generate at gold prices above our base assumption.

Now as we do at this time every year, we are currently working through our annual business planning process. As part of this exercise, there are two key inputs to our dividend framework that we are critically reviewing:

- The first – as I have been discussing for some time now – is the long-term gold price and the assumption we use for both reserve pricing and project approvals. This assumption is a key input for determining the payout level of our base dividend.
- The second key input is the free cash flow we expect to generate above this base level.... And this is impacted by the current global economic environment that we are all operating in.

Over the next two months, we will finalize and our board will approve our business plan... and will then provide a comprehensive update on these inputs and associated outputs with our long-term outlook during our 2023 Guidance webcast in early December.

However, I can assure you that we clearly understand the importance of returning cash to our shareholders and we have a proven track record of doing so – having returned \$3 billion dollars through dividends since we led the industry in introducing our framework two years ago.

We will continue to take a long-term view to determine the appropriate level of current dividend payouts... and we remain committed to a clear dividend framework.

### **Slide 10: Newmont – 100 Years**

As the sector leader, Newmont is well-positioned to respond to the challenging market environment that our industry faces today.

We will not be distracted by the things and factors outside of our control... but instead we will remain focused on controlling what we can control and delivering long-term value from responsibly managing our portfolio of world class assets.

We will continue to address today's challenges by leveraging our leadership, our collective experience, our balanced portfolio and our scale to build a resilient and sustainable future.

Guided by Newmont's clear and consistent strategy, our focus remains on doing what we do best – delivering stable production and strong margins while investing in our future and creating value for all of our stakeholders.

Thank you very much for your time today, and I'll turn it over to Jackie for any questions.