NEWMONT MINING CORP /DE/
Form 11-K
June 19, 2018
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

(Mark One)

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

For the fiscal year ended December 31, 2017

OR

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

For the transition period from __________ to __________

Commission file number 001-31240

A.Full title of the plan and the address of the plan, if different from that of the issuer named below:

RETIREMENT SAVINGS PLAN FOR HOURLY-RATED

EMPLOYEES OF NEWMONT

(Title of Plan)

B.Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

NEWMONT MINING CORPORATION

(Issuer of Securities)

6363 South Fiddler’s Green Circle

Greenwood Village, Colorado 80111

(Principal Executive Office)

Table of Contents

Retirement Savings Plan for Hourly-Rated Employees of Newmont

TABLE OF CONTENTS

Table of Contents

Report of Independent Registered Public Accounting Firm

To the Participants and Administrator of the

Retirement Savings Plan for Hourly-Rated Employees of Newmont

Opinion on the Financial Statements

We have audited the accompanying statements of net assets available for benefits of the Retirement Savings Plan for Hourly-Rated Employees of Newmont (the "Plan") at December 31, 2017 and 2016, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes and schedule (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of the Plan at December 31, 2017 and 2016, and the changes in net assets available for benefits for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on the Plan's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Plan in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Supplemental Information

The supplemental information in the accompanying schedule of assets (held at end of year) at December 31, 2017, has been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental information is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements of the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Causey Demgen & Moore P.C.

Causey Demgen & Moore P.C.

We have served as the Plan's auditor since 2005.

Denver, Colorado

June 19, 2018

Table of Contents

Retirement Savings Plan for Hourly-Rated Employees of Newmont

Statements of Net Assets Available for Benefits

	At December 31, 2017	2016
Assets		
Investments, at fair value:		
Investments in collective trusts	$ 89,382,911	$ 74,109,533
Investments in registered investment companies	18,720,062	17,249,247
Investments in employer stock	5,192,971	5,610,752
Total investments, at fair value	113,295,944	96,969,532
Notes receivable from participants	6,677,764	6,397,144
Net assets available for benefits	$ 119,973,708	$ 103,366,676

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

Table of Contents

Retirement Savings Plan for Hourly-Rated Employees of Newmont

Statements of Changes in Net Assets Available for Benefits

	Years Ended December 31,	
	2017	2016
Additions to net assets available for benefits attributed to:		
Investment income (loss):		
Dividend income, employer stock	$ 36,517	$ 19,875
Dividend income, registered investment companies	485,144	336,224
Net appreciation (depreciation) in the fair value of investments	14,894,480	9,482,310
Net investment income (loss)	15,416,141	9,838,409
Interest income on notes receivable from participants	281,123	256,967
Contributions:		
Employer, net of forfeitures applied	5,103,526	4,988,227
Participant	9,948,561	9,343,621
Rollover	573,166	990,085
Total contributions	15,625,253	15,321,933
Total additions	31,322,517	25,417,309
Deductions from net assets available for benefits attributed to:		
Payment of benefits	(12,615,813)	(11,485,087)
Administrative and other expenses	(294,563)	(230,425)
Total deductions	(12,910,376)	(11,715,512)
Increase (decrease) in net assets before net transfers	18,412,141	13,701,797
Transfers:		
Transfers in from Retirement Savings Plan of Newmont	194,319	202,552
Transfers out to Retirement Savings Plan of Newmont	(1,999,428)	(1,074,347)
Net transfers	(1,805,109)	(871,795)
Increase (decrease) in net assets available for benefits	16,607,032	12,830,002
Net assets available for benefits at beginning of year	103,366,676	90,536,674
Net assets available for benefits at end of year	$ 119,973,708	$ 103,366,676

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

Table of Contents

Retirement Savings Plan for Hourly-Rated Employees of Newmont

Notes to Financial Statements

December 31, 2017 and 2016

1. Description of the Plan

The following description of the Retirement Savings Plan for Hourly-Rated Employees of Newmont (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

The Plan was established effective October 1, 1991, by Newmont Mining Corporation and its affiliates (the "Company") to qualify as a defined contribution, profit sharing plan under Section 401(a) of the Internal Revenue Code, for the benefit of eligible employees of the Company. The Plan was restated on January 1, 2017. The Plan is a collectively bargained, defined contribution plan subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Benefits under the Plan are not subject to guarantee by the Pension Benefit Guaranty Corporation.

Administration

Trustee, recordkeeping and investment management services are performed by Fidelity Management Trust Company.

The Plan is administered by the Administration Committee. The Administration Committee may retain independent advisors and consultants, and is responsible for administration and for managing the Plan's activities. Newmont USA Limited, a delegate of the Company, appoints members of the Investment Committee and the Investment Committee reviews and selects the investment fund options offered under the Plan.

Eligibility and Contributions

Employees are eligible to participate in the Plan after performing one hour of service. Participants may elect to contribute to the Plan, on a pre-tax or after-tax basis or combination thereof, from 1% to 100% of the Plan eligible compensation. The Plan allows for Roth contributions, which are after-tax contributions tracked in a separate account. The maximum contribution on a pre-tax or Roth basis is $18,000 for the 2017 and 2016 plan years.

The Company's matching contribution for each eligible active participant, is limited to 6% of his or her eligible compensation. Through August 31, 2013, participant's contributions were matched by the Company in Company common stock, with the number of Company shares contributed based on the market price at the date of contribution. Effective September 1, 2013, all matching contributions were made in cash and the Company stock fund was frozen and no further investments in Company stock are allowed. Total matching contributions were limited to a maximum of $12,000 per participant for 2013. Effective January 1, 2014, the $12,000 maximum Company matching contribution limitation no longer applies. Participants are allowed to divest their Company common stock at any time.

All employees who are eligible to make elective deferrals under this Plan and who have attained age 50 before the close of the Plan year are eligible to make catch-up contributions beyond the pre-tax and Roth limit to “catch-up” retirement savings. Catch-up contributions were limited to $6,000 for 2017 and 2016.

In addition, the maximum contributions and other additions (including all other defined contribution plans sponsored by the Company) for the plan year of a participant under the Plan may not exceed the lesser of $54,000 and $53,000 in 2017 and 2016, respectively, or 100% of the eligible compensation paid to the participant by the Company in such plan year. Annual additions are defined to include participant’s contributions and the Company’s matching contributions.

The Plan also allows rollover contributions of part or all of an “eligible rollover distribution” received by a participant from a qualified plan of a previous employer.

Table of Contents

Retirement Savings Plan for Hourly-Rated Employees of Newmont

Notes to Financial Statements

December 31, 2017 and 2016

Vesting

Participants are fully vested in their contributions, and are vested in employer matching contributions 20% after one year of service, 40% after two years of service, 60% after three years of service and 100% after four years of service. Additionally, participants become fully vested in Company contributions upon death, disability, change of control or attainment of retirement age while employed by the Company. Terminated participants are subject to the vesting schedule in place at the time of their termination of employment with the Company.

Non-vested balances of employees who terminate are forfeited and generally used to reduce subsequent Company contributions to the Plan and pay administrative expenses of the Plan. Unallocated forfeited balances amounted to $166,035 and $135,043 at December 31, 2017 and 2016, respectively. Unallocated forfeited balances are included in Investments in registered investment companies in the Statements of Net Assets Available for Benefits as assets in the Plan's Fidelity® Government Money Market Fund investment.

Participant Accounts

Separate accounts are maintained for each participant and are credited with the participant's contributions, the Company's contributions and rollover contributions, if any, including the allocations of earnings and losses to these accounts calculated daily based on participant account balances. Participants direct their investments by electing the percentages of their accounts and contributions to be allocated between investment fund alternatives. Participants may make unlimited changes in their future investment allocations or make transfers of existing balances between investment fund alternatives.

Payment of Benefits, Withdrawals and Transfers

At the time of a participant's death or disability, the vested balances in all of his or her accounts will be paid in a lump sum. Upon termination of employment for reasons other than death or disability, participants are entitled to receive a lump sum payment for the value of the non-forfeitable portion of their account. Such lump sum payments may result in adverse tax consequences for the participant. Participants with vested account balances of $5,000 or less are not permitted to leave their account balances in the Plan and must roll their account balances into an IRA rollover account or another qualified benefit plan or receive a lump sum distribution. Participants with account balances in excess of $5,000 may choose to leave their account balances in the Plan.

In order to facilitate efficient Plan administration and disclosure, the Plan permits the automatic transfer of accounts held under the Plan to the Retirement Savings Plan of Newmont and any other defined contribution plan maintained by the Company or its controlled group members when a participant becomes an active participant in such other plan.

Notes Receivable from Participants

Participants may borrow from their individual plan account, with a minimum amount of $1,000 and a maximum amount equal to the lesser of 50% of such participant's vested balance or $50,000. The interest rate on such loans is the prime rate in effect at the time the loan is taken, plus one percent, and is fixed over the term of the loan. The repayment period may be up to five years for a general loan, or up to 15 years for the purchase of a principal residence.

Plan Termination

Although the Company expects to continue the Plan indefinitely, the Company has the right under the Plan document to discontinue its contributions at any time and to terminate the Plan ("full termination") subject to the provisions of ERISA. In the event of full termination or termination with respect to a group or class of participants ("partial termination"), the unvested portion of Company contributions for participants subject to such full termination or partial termination will become fully vested and non-forfeitable.

Table of Contents

Retirement Savings Plan for Hourly-Rated Employees of Newmont

Notes to Financial Statements

December 31, 2017 and 2016

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires the Plan to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation

All of the Plan's investments are maintained in collective trusts, registered investment companies and Company stock, which are valued using quoted market prices from the respective securities' principal active exchange or at net asset value. The Net appreciation (depreciation) in the fair value of investments for the period is included in the determination of Net investment income (loss) as reflected in the Statements of Changes in Net Assets Available for Benefits.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when earned. Delinquent loans are treated as distributions based upon the terms of the Plan document. These notes have interest rates ranging from 4.25% to 9.25% and mature from January 2018 through November 2032.

Risks and Uncertainties

The Plan provides for various investment options in a combination of collective trusts, registered investment companies and Company stock. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits and the Statements of Changes in Net Assets Available for Benefits.

Payments of Benefits

Payments of benefits are recorded when paid.

Plan Expenses

Administrative expenses on behalf of the Plan are paid through the use of forfeitures, by the Plan and by the Company. No Plan-related expenses were paid by the Company for the years ended December 31, 2017 and 2016.

Administrative expenses include recordkeeping fees, trustee fees, audit fees, account maintenance fees and legal fees. Participant loan origination fees are included in Administrative and other expenses in the Statements of Changes in Net Assets Available for Benefits and deducted from participant's accounts as they are paid directly by the participants to the trustee.

Table of Contents

Retirement Savings Plan for Hourly-Rated Employees of Newmont

Notes to Financial Statements

December 31, 2017 and 2016

3. Fair Value Measurements

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 Quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, quoted prices or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

Level 3 Prices or valuation techniques that require inputs that are both significant to their fair value measurement and unobservable (supported by little or no market activity).

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2016.

Investments in collective trust funds: Investments in collective trusts are valued at unit value, which is based on the aggregate current fair values of the underlying assets in relation to the total number of units outstanding. Unit value, or the equivalent of net asset value, is a practical expedient for estimating the fair values of those investments.

Investments in registered investment companies: Valued at its year-end quoted market price.

Investments in employer stock: Valued at its year-end unit closing price (comprised of year-end market price reported on the active market plus uninvested cash position).

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Table of Contents

Retirement Savings Plan for Hourly-Rated Employees of Newmont

Notes to Financial Statements

December 31, 2017 and 2016

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value at December 31, 2017:

	Assets at Fair Value at December 31, 2017			
	Level 1	Level 2	Level 3	Total
Registered investment companies	$ 18,720,062	$ —	$ —	$ 18,720,062
Employer stock	5,192,971	—	—	5,192,971
Total assets in the fair value hierarchy	23,913,033	—	—	23,913,033
Investments measured at net asset value (1)	—	—	—	89,382,911
Investments at fair value	$ 23,913,033	$ —	$ —	$ 113,295,944

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value at December 31, 2016:

	Assets at Fair Value at December 31, 2016			
	Level 1	Level 2	Level 3	Total
Registered investment companies	$ 17,249,247	$ —	$ —	$ 17,249,247
Employer stock	5,610,752	—	—	5,610,752
Total assets in the fair value hierarchy	22,859,999	—	—	22,859,999
Investments measured at net asset value (1)	—	—	—	74,109,533
Investments at fair value	$ 22,859,999	$ —	$ —	$ 96,969,532

(1) In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the Statements of Net Assets Available for Benefits.

The following tables summarize investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2017 and 2016, respectively.

December 31, 2017	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Collective trusts	$ 89,382,911	n/a	Daily	n/a

December 31, 2016	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Collective trusts	$ 74,109,533	n/a	Daily	n/a

4. Tax Status of the Plan

The Plan received a favorable determination letter from the Internal Revenue Service as to the qualified status of the Plan on March 4, 2014. Although the Plan has been amended since receipt of the determination letter, the Plan's administrator believes the Plan remains a qualified plan and is not subject to tax. Accordingly, no provision for federal or state income taxes has been recorded. The Plan administrator believes it is no longer subject to income tax examinations for the years prior to 2014.

U.S. GAAP requires plan management to evaluate tax positions taken by the plan and recognize a tax liability if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan's administrator has analyzed the tax positions taken by the Plan and has concluded that at December 31, 2017, there are no uncertain positions taken, or expected to be taken, that would require recognition

Table of Contents

of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

5. Related Party Transactions

The Fidelity Management Trust Company acts as trustee for only those investments as defined in the Plan. Also, certain Plan assets are invested in shares of Company stock. Transactions in such investments qualify as party-in-interest transactions that are exempt from prohibited transaction rules as defined by ERISA. Administrative fees paid by the trust for trustee services were $148,033 and $157,666 for the years ended December 31, 2017 and 2016, respectively.

6. Subsequent Events

The Company has evaluated events subsequent to December 31, 2017, through the date of this report. There have been no material events noted that would impact the results reflected in this report, the Plan’s results going forward or require additional disclosure.

Table of Contents

Retirement Savings Plan for Hourly-Related Employees of Newmont

Form 5500, Schedule H, Part IV, Line 4i—Schedule of Assets (Held at End of Year)

EIN # 13-2526632; Plan Number 004

December 31, 2017

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(d) Cost	(e) Current Value
	Investment Funds:		
*	Fidelity® 500 Index Fund - Fidelity Advantage Class	**	$ 5,621,172
*	Fidelity® Extended Market Index Fund - Fidelity Advantage Class	**	2,446,341
*	Fidelity® Small Cap Index Fund - Fidelity Advantage Class	**	1,170,672
	Harbor International Fund Institutional Class	**	1,203,039
*	Fidelity® Global ex U.S. Index Fund - Fidelity Advantage Class	**	2,339,416
*	Fidelity® Government Money Market Fund	**	3,098,000
*	Fidelity® U.S. Bond Index Fund - Fidelity Advantage Class	**	2,440,760
	Principal Diversified Real Asset Fund Institutional Class	**	400,662
	Collective Trust Funds:		
	Russell Equity I Fund	**	3,854,325
	Russell Small Cap Fund	**	1,353,622
	Russell Multi-Manager Bond Fund	**	1,398,346
	Russell Emerging Markets Fund	**	1,260,989
	BlackRock LifePath® Index 2020 Fund Q	**	10,654,167
	BlackRock LifePath® Index 2025 Fund Q	**	14,038,710
	BlackRock LifePath® Index 2030 Fund Q	**	12,377,612
	BlackRock LifePath® Index 2035 Fund Q	**	7,213,972
	BlackRock LifePath® Index 2040 Fund Q	**	7,953,723
	BlackRock LifePath® Index 2045 Fund Q	**	9,035,466
	BlackRock LifePath® Index 2050 Fund Q	**	6,409,330
	BlackRock LifePath® Index 2055 Fund Q	**	10,000,967
	BlackRock LifePath® Index Retirement Fund Q	**	3,831,682
	Employer Stock:		
*	Newmont Mining Stock Fund	**	5,192,971
	Notes receivable from participants:		
*	Interest rates range from 4.25% to 9.25%, maturing January 2018 through November 2032(1)	—	6,677,764
			$ 119,973,708

* Represents a party-in-interest.

** Cost omitted for participant-directed investments.

(1) The interest rate on loans is the prime rate in effect at the time the loan is taken, plus one percent, and is fixed over the term of the loan.

10

Table of Contents

EXHIBIT INDEX

Exhibit Number	Description
23	Consent of Causey Demgen & Moore P.C., filed herewith

Table of Contents

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

	Retirement Savings Plan for Hourly-Rated Employees of Newmont
Date: June 19, 2018	/s/ John W. Kitlen
	John W. Kitlen, Vice President, Controller and Chief Accounting Officer