

# Newmont Provides Updated 2020 Outlook and Confirms Long-term Guidance

19.05.2020 | [Business Wire](#)

[Newmont Corp.](#) (NYSE: NEM, TSX: NGT) (Newmont or the Company) announced today the Company continues to ramp up operations at Peñasquito, Cerro Negro, Éléonore and Yanacocha. Among Newmont's 12 operating mines and two joint ventures, 13 sites will be fully operational in the coming weeks.

"We are pleased to be ramping up operations at our four sites previously placed in care and maintenance and we remain committed to protecting our workforce and neighboring communities," said Tom Palmer, President and Chief Executive Officer. "We continue to respond to this pandemic from a position of strength and Newmont's diverse portfolio in top-tier jurisdictions provides a long-term, stable production profile with the potential to generate significant free cash flow over time."

## UPDATED OUTLOOK

Newmont is providing a revised 2020 outlook with nearly all of our mines operating and mining now deemed an essential activity in every jurisdiction where the Company operates. The revised 2020 outlook assumes that operations will continue throughout the remainder of the year without major interruptions. Newmont's long-term guidance remains unchanged with stable production of more than 6 million ounces and improving costs from 2021 through 2024.

Newmont 2020 Outlook (+/-5%)	Revised (as of May 19th)	Previous (as of Jan. 2nd)
Consolidated Production (koz)	5,900	6,300
Attributable Production (koz)	6,000	6,400
Consolidated Gold CAS (\$/oz)	775	750
Consolidated Gold All-in Sustaining Costs (\$/oz)	1,015	975
Consolidated Co-products (GEOs Koz)	950	1,105
Attributable Co-products (GEOs Koz)	950	1,105
Consolidated GEO CAS (\$/oz)	700	560
Consolidated GEO All-in Sustaining Costs (\$/oz)	1,075	880
Consolidated Sustaining Capital Expenditures (\$M)	800	975
Consolidated Development Capital Expenditures (\$M)	500	625
Attributable Sustaining Capital Expenditures (\$M)	775	950
Attributable Development Capital Expenditures (\$M)	450	575
Advanced Projects & Exploration (\$M)	400	450
Interest Expense (\$M)	300	
Depreciation and Amortization (\$M)	2,125	

General & Administrative Expense (\$M)	265
Adjusted Tax Rate	38%-42%

\*see footnotes re Outlook at the end of this release

Newmont's 2020 outlook is approximately 6.0 million ounces of attributable gold production which is near the lower end of the Company's previous outlook. 2020 Costs applicable to sales (CAS) is expected to be \$775 per ounce and All-in sustaining costs is expected to be \$1,015 per ounce which were towards the upper range of the Company's previous cost outlook. The revised 2020 outlook includes the production and cost impacts from our five operations temporarily placed into care and maintenance for an average of 45 days. The second quarter is expected to be the lowest production and highest cost quarter of 2020 as the sites ramp up from care and maintenance.

## OPERATIONS UPDATE

Peñasquito: On April 12<sup>th</sup>, the operation was placed into care and maintenance to comply with the government of Mexico's decree mandating the temporary suspension of all non-essential activities. Peñasquito began to ramp up activities on May 18<sup>th</sup> with a phased approach consistent with the Mexican government's regulations. Over the next two weeks, the site will implement required hygiene protocols and mobilize key operations and maintenance teams for training. Production is expected to commence in early June.

Éléonore: On March 23<sup>rd</sup>, the operation was placed into care and maintenance after consultation with the local First Nation communities in an effort to mitigate the risk of transmission of the virus to the remote northern communities and to comply with the Quebec government's restriction on non-essential travel within the province. The Quebec government lifted restrictions on April 13<sup>th</sup> and Newmont commenced engagement with the Cree First Nation Grand Council and the Cree Health Board to determine an acceptable path forward to protect its workforce and communities. In early May, Éléonore began ramping-up operations and the mill is expected to restart on May 23<sup>rd</sup>. The updated outlook includes the ongoing impact of expected travel and logistical constraints required to comply with local regulations and protect community health, as well as ongoing geotechnical work.

Cerro Negro: On March 23<sup>rd</sup>, the operation was placed into care and maintenance due to travel restrictions imposed by the Argentinian government. Essential personnel remained on site to maintain infrastructure, provide security and continue environmental management and ground control activities. In early May, the operation began implementing a safe restart plan and remobilizing its workforce and the mill is expected to start on May 20<sup>th</sup>. As the operation ramps up, a key focus area remains the improvement of operational standards in development, ground control and backfill practices. The updated outlook includes the ongoing impact of expected productivity challenges as a result of travel and other restrictions.

Yanacocha: On March 17<sup>th</sup>, the operation safely ramped down in response to travel restrictions imposed by the Peruvian government. Limited personnel remained on-site to perform essential work, including security, water treatment, environmental protection, and gold production continued from leach pads. In early May, the operation began remobilizing following the confirmation that the Peru Economic reactivation plan allowed surface mining. The site is implementing a safe restart plan with milling operations starting on May 16<sup>th</sup> and surface mining activities expected to begin by the end of May.

Musselwhite: On March 23<sup>rd</sup>, Newmont decided to place the operation into care and maintenance in order to limit the number of people on site and prevent the possible transmission of the virus into the nearby First Nations communities in northern Ontario. Essential personnel continue to maintain infrastructure, provide security and continue environmental management. Musselwhite is the only operation remaining in care and maintenance. Once a safe restart plan is agreed with the First Nation communities, conveyor installation is expected to recommence over the coming weeks.

Newmont continues to progress the majority of its development and sustaining capital projects, including Tanami Expansion 2, developing the sub-level shrinkage mining method at Subika Underground and advancing laybacks at Boddington and Ahafo. However, as a result of COVID-19, total 2020 capital expenditure is now expected to be approximately \$1.3 billion due to reductions in non-essential activities and changes to the development capital schedule for Tanami Expansion 2 and Boddington's

Autonomous Haulage which defers some expenditures to 2021.

For exploration and advanced projects, approximately 80 percent of the Company's exploration budget is allocated to near-mine with the majority of work suspended in March. However, Newmont is currently ramping up near-mine drilling programs and preparing to restart Greenfields activities as soon as local restrictions are lifted in French Guiana, Suriname, Ethiopia, Peru, Chile and Australia. The Exploration teams have been working remotely focused on improving orebody and district scale models as well as developing risk mitigation plans to restart activities under COVID-19 restrictions. Advanced project study work for Yanacocha Sulfides and Ahafo North continues remotely.

Newmont will continue to utilize protective measures for its workforce and neighboring communities, including screening, physical distancing, deep cleaning, and avoiding exposure for at-risk individuals. If at any point the Company determines that continuing operations poses an increased risk to our workforce or host communities, it will reduce operational activities up to and including care and maintenance and management of critical environmental systems.

More information on Newmont's proactive efforts to protect its people, neighboring communities and business may be found here.

#### About Newmont

Newmont is the world's leading gold company and a producer of copper, silver, zinc and lead. The Company's world-class portfolio of assets, prospects and talent is anchored in favorable mining jurisdictions in North America, South America, Australia and Africa. Newmont is the only gold producer listed in the S&P 500 Index and is widely recognized for its principled environmental, social and governance practices. The Company is an industry leader in value creation, supported by robust safety standards, superior execution and technical proficiency. Newmont was founded in 1921 and has been publicly traded since 1925.

#### Cautionary Statement:

This news release contains forward-looking statements; within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbor created by such sections and other applicable laws. Where a forward-looking statement expresses or implies 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, such 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 the forward-looking statements. Forward-looking statements often address our expected future business and financial performance and financial condition; and often contain words such as anticipate, intend, plan, will, may, could, would, estimate, expect, believe, or potential. Forward-looking statements in this news release may include, without limitation statements regarding 2020 outlook and long-term guidance, expectations regarding long-term, stable production and significant free cash flow generation, expectations regarding ramp-up, activities and operations at Peñasquito, Cerro Negro, Eléonore and Yanacocha, expectations that operations will continue through the remainder of the year without interruptions, expectations for exploration and advanced projects work, and expectations regarding the impact of the COVID-19 pandemic on operating and financial results. Risks include uncertainties relating to the global economic impact of COVID-19, particularly with respect to the mining industry in the jurisdictions in which we operate, the ability to operate following changing governmental restrictions on travel and business operations (including, without limitation, the duration of restrictions, including access to sites, ability to transport and ship ore, access to processing and refinery facilities, impacts to international trade, impacts to supply chain, including price, availability of goods, ability to receive supplies and fuel, impacts to productivity and operations in connection with decisions intended to protect the health and safety of the workforce, their families and neighboring communities, and impacts to stakeholders, government and community relationships, including uncertainty regarding discussions related to restart plan and future operations). Forward-looking statements are based upon certain assumption which may prove to be incorrect. For example, certain hypothetical assumptions are made for calculation of 2020 outlook and long-term guidance. See footnotes below. There can be no assurance that such assumptions are correct or that outlook will be achieved. Similarly, in light of the

changing environment and uncertainties, no guarantees can be provided that operations will continue through the remainder of the year without major interruptions, that regulations or conditions will not change in a manner that adversely impacts operations or 2020 outlook, or that Newmont's proactive efforts to minimize impacts will be effective in eliminating risks. For a discussion of risks and other factors that might impact future looking statements, see the Company's Annual Report on Form 10-K for the year ended December 31, 2019 filed with the U.S. Securities and Exchange Commission (the "SEC"), under the heading "Risk Factors", as well as the COVID-19 related "Risk Factor" in the Quarterly Report on Form 10-Q for the year ended March 31, 2020, filed with the U.S. Securities and Exchange Commission on or about May 5, 2020 available on the SEC website or [www.newmont.com](http://www.newmont.com). The Company does not undertake any obligation to release publicly revisions to any "forward-looking statement" including, without limitation, outlook, to reflect events or circumstances after the date of this news release, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws. Investors should not assume that any lack of update to a previously issued "forward-looking statement" constitutes a reaffirmation of that statement. Continued reliance on "forward-looking statements" is at investors' own risk.

\*The estimates in the table above are considered "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbor created by such sections and other applicable laws.

In developing this outlook, Newmont management applied a number of hypothetical assumptions in respect of a number of future matters that impact outlook. For example, longer-term Outlook assumes \$1,200/oz Au, \$16/oz Ag, \$2.75/lb Cu, \$1.20/lb Zn, \$0.95/lb Pb, \$0.75 USD/AUD exchange rate, \$0.77 USD/CAD exchange rate and \$60/barrel WTI. There can be no assurance that such assumptions are correct, that such projects will be approved or that outlook will be achieved.

For more discussion of risks and other factors that might impact future looking statements, see the Company's Annual Report on Form 10-K for the quarter ended December 31, 2019 in the "Risk Factors" section, as well as the COVID-19 related "Risk Factor" in the Quarterly Report on Form 10-Q for the year ended March 31, 2020, available on the SEC website or [www.newmont.com](http://www.newmont.com).

Gold equivalent ounces (GEOs) are calculated as pounds or ounces produced multiplied by the ratio of the other metal's price to the gold price, using Gold (\$1,200/oz.), Copper (\$2.75/lb.), Silver (\$16/oz.), Lead (\$0.95/lb.), and Zinc (\$1.20/lb.) pricing.

The adjusted tax rate excludes certain items such as tax valuation allowance adjustments. Assuming average prices of \$1,400 per ounce for gold, \$16 per ounce for silver, \$2.75 per pound for copper, \$0.95 per pound for lead, and \$1.20 per pound for zinc and achievement of current production and sales volumes and cost estimates, we estimate our consolidated adjusted effective tax rate related to continuing operations for 2020 will be between 38%-42%.

A reconciliation of the 2020 Gold AISC outlook to the 2020 Gold CAS outlook is provided below. The estimates in the table below are considered "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbor created by such sections and other applicable laws.

2020 Outlook - Gold <sup>7,8</sup> (in millions, except ounces and per ounce)	Outlook Estimate
Cost Applicable to Sales <sup>1,2</sup>	4,600
Reclamation Costs <sup>3</sup>	180
Advance Project and Exploration <sup>4</sup>	160
General and Administrative <sup>5</sup>	240



Other Expense	10
Treatment and Refining Costs	30
Sustaining Capital	710
Sustaining Finance Lease Payments <sup>6</sup>	30
All-in Sustaining Costs	5,950
Ounces (000) Sold <sup>9</sup>	5,900
All-in Sustaining Costs per Oz	\$1,015

(1) Excludes Depreciation and amortization and Reclamation and remediation.

(2) Includes stockpile and leach pad inventory adjustments.

(3) Reclamation costs include operating accretion and amortization of asset retirement costs.

(4) Advanced Project and Exploration excludes non-sustaining advanced projects and exploration.

(5) Includes stock based compensation.

(6) Excludes development capital expenditures, capitalized interest and change in accrued capital.

(7) The reconciliation is provided for illustrative purposes in order to better describe management's estimates of the components of the calculation. Estimates for each component of the forward-looking All-in sustaining costs per ounce are independently calculated and, as a result, the total All-in sustaining costs and the All-in sustaining costs per ounce may not sum to the component ranges. While a reconciliation to the most directly comparable GAAP measure has been provided for 2020 AISC Gold and Co-Product Outlook on a consolidated basis, a reconciliation has not been provided on an individual site or project basis in reliance on Item 10(e)(1)(i)(B) of Regulation S-K because such reconciliation is not available without unreasonable efforts.

(8) All values are presented on a consolidated basis for Newmont.

(9) Consolidated production for Yanacocha and Merian is presented on a total production basis for the mine site and excludes production from Pueblo Viejo.

A reconciliation of the 2020 Co-products AISC outlook to the 2020 Co-Products CAS outlook is provided below. The estimates in the table below are considered "forward-looking statements" within the 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbor created by such sections and other applicable laws.

2020 Outlook - Co-Product <sup>7,8</sup> (in millions, except GEO and per GEO)	Outlook Estimate
Cost Applicable to Sales <sup>1,2</sup>	660
Reclamation Costs <sup>3</sup>	10
Advance Project and Exploration <sup>4</sup>	10
General and Administrative <sup>5</sup>	25
Other Expense	-
Treatment and Refining Costs	200
Sustaining Capital	90



Sustaining Finance Lease Payments <sup>6</sup>	20
All-in Sustaining Costs	1,020
Co-Product GEO (000) Sold <sup>9</sup>	950
All-in Sustaining Costs per Co Product GEO	\$1,075

- (1) Excludes Depreciation and amortization and Reclamation and remediation.
- (2) Includes stockpile and leach pad inventory adjustments.
- (3) Reclamation costs include operating accretion and amortization of asset retirement costs.
- (4) Advanced Project and Exploration excludes non-sustaining advanced projects and exploration.
- (5) Includes stock based compensation.
- (6) Excludes development capital expenditures, capitalized interest and change in accrued capital.

(7) The reconciliation is provided for illustrative purposes in order to better describe management's estimates of the components of the calculation. Estimates for each component of the forward-looking All-in sustaining costs per ounce are independently calculated and, as a result, the total All-in sustaining costs and the All-in sustaining costs per ounce may not sum to the component ranges. While a reconciliation to the most directly comparable GAAP measure has been provided for 2020 AISC Gold and Co-Product Outlook on a consolidated basis, a reconciliation has not been provided on an individual site or project basis in reliance on Item 10(e)(1)(i)(B) of Regulation S-K because such reconciliation is not available without unreasonable efforts.

- (8) All values are presented on a consolidated basis for Newmont.
- (9) Co-Product GEO are all non gold co-products (Peñasquito silver, zinc, lead, Boddington copper).

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Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/351749--Newmont-Provides-Updated-2020-Outlook-and-Confirms-Long-term-Guidance.html>

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