

Edgar Filing: NORMANDY MINING LTD - Form 425

NORMANDY MINING LTD
Form 425
December 24, 2001

Filed by Newmont Mining Corporation
Pursuant to Rule 425 under the Securities Act of 1933
and deemed filed pursuant to Rule 14a-12
of the Securities Exchange Act of 1934

Subject Company: Normandy Mining Limited
Commission File No. 132-00965

[NEWMONT MINING CORPORATION LOGO]

[NORMANDY MINING LIMITED LOGO]

[FRANCO-NEVADA MINING CORPORATION LIMITED LOGO]

[PICTURE OF AUSTRALIAN AND CANADIAN COINS]

NEWMONT + NORMANDY + FRANCO-NEVADA = NEW NEWMONT
THE NEW GOLD STANDARD FOR THE 21ST CENTURY

Newmont Mining Corporation proposes to acquire Normandy Mining Limited and Franco-Nevada Mining Corporation Limited to create the world's largest gold producer. The new company will be:

- #1 in gold production (8.2 million ounces in 2001);
- #1 in reserves (97 million ounces); and
- #1 in EBITDA.

New Newmont will provide investors a clear choice premised on a belief in gold's intrinsic, long-term value and its relevance to a balanced portfolio. New Newmont will have:

- The most leverage to a rising gold price (least hedged of major producers);
- A strong balance sheet (a net debt-to-capital ratio of 23%);
- Low political and socio-economic risk (approximately 70% of production in North America and Australia); and
- Superior trading liquidity (approximately US\$62 million in average daily trading volume in major global markets based on combined historical trading performance).

New Newmont will combine unparalleled managerial capabilities with these operating strengths:

- Low cash cost of approximately US\$175 per ounce of gold produced;
- 22 mines on five continents;
- Premier land positions in world-class gold districts plus a portfolio of promising development and exploration projects;
- Steady stream of royalty income backed by unique merchant banking expertise; and
- Demonstrated commitment to environmental quality and socio-economic development.

THE TRANSACTIONS CONSOLIDATE THESE STRONG COMPANY ATTRIBUTES

Edgar Filing: NORMANDY MINING LTD - Form 425

<p>NEWMONT (U.S.)</p> <ul style="list-style-type: none"> - Largest gold producer in both North and South America - Discoveries resulted in Carlin Trend in Nevada and Yanacocha District in Peru - Global operating capabilities with operations in Uzbekistan and Indonesia - Recognized R&D leader in exploration and metal extraction 	<p>NORMANDY (AUSTRALIA)</p> <ul style="list-style-type: none"> - Australia's largest gold producer - Additional operations in U.S. Europe, Africa and South America - Recognized exploration and development capabilities - Portfolio of promising development projects - Leader in environmental protection and sustainability 	<p>FRANCO-NEVADA (CANADA)</p> <ul style="list-style-type: none"> - Leading precious metals royalty company with operations in major gold, platinum and diamond mines - History of superior returns to investors - Strategic focus on operational and banking skills - Strong balance sheet and low debt
--	--	---

TERMS OF THE TRANSACTION

NORMANDY TRANSACTION

- 0.0385 of a Newmont common share per Normandy ordinary share (to be tradeable in Australia), plus A\$0.40 per ordinary share cash payment
- Implied offer price per share of A\$1.90 based on closing stock prices and the A\$ exchange rate on December 7, the day prior to the announcement of the transaction*
- Premium of 15% over AngloGold's November 29 offer*
- 50.1% minimum acceptance condition, including 19.9% owned by Franco-Nevada
- No capital gains tax for scrip, provided 80% of shares accepted

Normandy shareholders initially to own approximately 18% of New Newmont

FRANCO-NEVADA TRANSACTION

- 0.8 of a Newmont common share, or 0.8 of a Canadian exchangeable share, per common share
- Implied price of C\$28.36 on November 13, the day prior to announcement of transaction*
- Premium of 22% over Franco-Nevada market price on November 13*
- Exchange for Newmont shares intended to be tax-free
- Exchangeable shares to trade on Toronto Stock Exchange
- Exchangeable shares intended to be tax-free property

Franco-Nevada shareholders initially to own approximately 32% of New Newmont

*Will vary depending on current market price. Shareholders should obtain updated quotes on Newmont share price

NEW NEWMONT SNAPSHOT

Last twelve months ended Sept. 30, 2001.

Dollars are US in millions unless indicated otherwise. (1)

	NEWMONT	NORMANDY	FRANCO-NEVADA	
Proven & probable gold reserves (mm oz) (2)	66.3	26.4	4.4 (3)	
Production (mm oz)	5.8	2.4	0.3 (3)	
Cash costs per oz	\$ 179	\$ 160	\$ 228 (3)	\$
Total costs per oz	\$ 209	\$ 224	\$ 291 (3)	\$

Edgar Filing: NORMANDY MINING LTD - Form 425

EBITDA(4)	\$	573	\$	276	\$	123	\$
Cash	\$	98	\$	193 (5)	\$	547	\$
Debt	\$	1,282	\$	672 (5)	\$	0	\$
Net book capitalization(7)	\$	2,874	\$	876 (5)	\$	428	\$
Diluted shares outstanding (mm)		197		2,238		160	