

**SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 4, 2000

**BATTLE MOUNTAIN GOLD COMPANY**

*(Exact name of registrant as specified in charter)*

Nevada  
*(State or other jurisdiction  
of incorporation)*

1-9666  
*(Commission File Number)*

76-0151431  
*(IRS Employer  
Identification No.)*

333 Clay Street, 42<sup>nd</sup> Floor  
Houston, Texas  
  
*(Address, of principal executive  
offices)*

77002

*(Zip Code)*

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Registrant's telephone number, including area code: (713) 650-6400

Not applicable  
*(former name or former address, if changed since last report )*

ITEM 5. OTHER EVENTS.

5.1 Attached hereto as Exhibit 99.1 and incorporated by reference herein is the fourth quarter 1999 earnings release of Battle Mountain Gold Company, as presented in a press release dated February 4, 2000.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

c) Exhibits.

99.1 Press Release issued by Battle Mountain Gold Company dated February 4, 2000.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 11, 2000.

**BATTLE MOUNTAIN GOLD COMPANY**  
(Registrant)

By: /s/ Greg V. Etter  
Name: Greg V. Etter  
Title: Vice President, General Counsel and  
Corporate Secretary



IMMEDIATE RELEASE

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## **BATTLE MOUNTAIN GOLD BOOSTS RESERVES, CONTINUES STRONG, LOW-COST OPERATING PERFORMANCE DESPITE LOSS FOR 4th QUARTER/YEAR**

Houston, February 4, 2000 -- Battle Mountain Gold Company (BMG-NYSE; BMC-TSE) today reported a fourth quarter consolidated net loss of \$82 million, or 36 cents per share, compared with a net loss of \$225 million, or 98 cents per share, in the same period last year. For the year 1999, the Company reported consolidated net losses of \$127 million, or 55 cents per share, compared with \$249 million, or \$1.08 per share, in the same period last year.

BMG President and Chief Operating Officer, John A. Keyes, noted that the loss for the period included a \$35.9 million, or 16 cent per share, non-cash write-off of the Company's remaining carrying value in the Crown Jewel project; and a \$33.3 million, or 14 cent per share, non-cash loss related to the Company's investment in Niugini Mining Limited (NML). The Crown Jewel write off reflects continuing delays and uncertainties surrounding the project, while the NML loss reflects a decrease of 33% in the market value of BMG's interest in Lihir Gold Limited (LGL), as of the date of the merger of NML with LGL.

The loss for the year resulted from lower average realized gold prices of \$278 per ounce, compared with \$306 per ounce in 1998; the Crown Jewel write off; and non-cash losses totaling \$46.6 million resulting from the changing market value of Lihir. The Company also recorded a \$9.5 million environmental remediation charge, which was previously reported, and a \$7.7 million reduction in prior year tax assets. These charges were somewhat offset by mostly non-cash foreign currency gains for the year of \$8.2 million.

Keyes said that despite the losses, the year overall was highlighted by:

- A 9% increase in estimated reserves to approximately 10 million ounces, including a 61% increase in estimated reserves at Phoenix
- Low cash production costs of \$164 per ounce
- Strong second-half increases in cash flow
- A 6% increase in production over target
- Identification of significant upside potential at Holloway, Llallagua and Vera/Nancy
- And an exciting new exploration discovery in Argentina

Keyes noted that the Company continues to achieve low production costs, with fourth quarter production of 209,000 ounces, at an average cash production cost of \$159 per ounce. Attributable gold production for the year was 770,000 ounces.

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**BMG posts reserve increase, announces earnings, add 1....**

Keyes said that cash flow from operations improved significantly during the second half to \$28.1 million, compared with \$2.6 million for the first six months of 1999. He emphasized that the Company has made significant strides during the year to lower costs, as reflected by sharply diminishing operating losses, even at lower gold prices. These improvements were clearly reflected in the Company's fourth quarter performance, which was bolstered by modestly higher average realized gold prices of \$294 per ounce, compared with \$272 for the first nine months.

Keyes added that the Company's financial position was strengthened during the year by the completion of the restructuring of its loan facility, improved cash flow, and greatly improved liquidity in the Company's interest in Lihir as a result of the recent merger of NML with Lihir Gold. The NML/LGL merger was approved by the Papua New Guinea National Court of Justice on February 1, effective as of February 2, 2000. The Company's cash position was \$76.3 million at year end, including \$40 million in restricted cash related to the Company's loan facility, which will be applied against BMG's long-term debt in 2003.

The Company has also implemented a limited number of hedges pursuant to its Canadian credit facility. BMG views hedging as a valuable financial tool and will consider limited hedging in the future in order to ensure an adequate return on the Company's capital investments, while maintaining significant exposure to upside moves in gold prices.

### Reserves

Year end 1999 proven and probable contained gold reserves increased to 9.9 million attributable ounces, up about 9% compared with year end 1998, after deducting production and despite Crown Jewel's removal from the proven and probable category. (Absent the 825,000-ounce Crown Jewel adjustment, reserves would have increased 18% to about 10.8 million ounces). The reserve increase (using a gold price assumption of \$325 per ounce, the same as in 1998) excludes Crown Jewel and reflects mineable gold production of 950,000 ounces last year. Reserve additions at Phoenix, which totaled 2.2 million ounces, as well as small additions at Kori Kollo, Holloway and Vera/Nancy, more than offset the changes. Reserves would only decrease 9% and 4% using \$275 and \$300 gold price assumptions, respectively. A \$350 gold price assumption would result in approximately a 4% increase in year end 1999 reserves.

<b>Proven &amp; Probable Cont. Gold Reserves</b> (in 000s)	<b>December 31, 1999</b> BMG Share (\$325 Au)	<b>December 31, 1998</b> BMG Share (\$325 Au)
Golden Giant	1,725	2,130
Kori Kollo/Llallagua	1,330	1,410
Holloway	765	825
Vera/Nancy	440	400
Phoenix	5,680	3,515
Crown Jewel	0	825
<b>Total</b>	<b>9,940</b>	<b>9,105</b>
Contained Silver Reserves (000s oz)	49,950	30,980

Other mineralization stands at 5.3 million ounces, includes Crown Jewel, and also demonstrates the Company's strong pipeline of largely headframe reserve-growth and development potential currently in hand.

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<b>Additional Gold Mineralization (000s oz)</b>
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Phoenix/Battle Mountain Complex	1,500	1,000
Llallagua	1,230	1,230
Crown Jewel	825	-
Holloway	750	300
Vera/Nancy	500	600
Casposo	500	-
Tres Cruces	-	2,000
El Cairo	-	1,250
<b>Total</b>	<b>5,305</b>	<b>6,380</b>

### Outlook 2000

Keyes said that targets for the year 2000 include:

- The completion of permitting and engineering at Phoenix and Llallagua
- Strong operating performance, with production of 760,000 ounces
- Low cash operating costs of under \$175 per ounce
- A further net increase in reserves

### Development

Keyes emphasized the significant progress that is being made at the Phoenix development project. Overall in 1999, the Company added 2.2 million contained ounces of gold at Phoenix, assuming a \$325 gold price. The additions lowered the overall strip ratio from 3.7:1 to 2.8:1, decreased mining and milling costs, and increased the anticipated mine life to over 15 years at 300,000 ounces per year, based on an average grade of 0.038 ounces per ton (opt). The Company continues to target cash operating costs of approximately \$185 per ounce. Additional upside potential still remains both within the current interim pit design, and elsewhere on the property. The final feasibility study is expected to be completed early in the second quarter. Permitting for Phoenix is moving ahead with the Bureau of Land Management, and the Company currently hopes to have a draft environmental impact statement by mid year.

In other development activity, in Bolivia, work is advancing on the year-long 200,000-ton pilot-plant test of the **Llallagua** bio-oxidation heap leach project adjacent to Kori Kollo, which continues to indicate recovery rates in the 70% range are feasible. At the end of 1999, a total of 51,500 tons were undergoing bio-oxidation on four demonstration cells. The plant is currently placing crushed and agglomerated ore on the cells at the design rate of 550 tons per day and will increase it to 1,100 tons per day late in the first quarter of this year. The project is expected to have low development costs using the existing Kori Kollo infrastructure. A 20-hole program, initiated in November, is designed to assess opportunities to significantly impact the size and strip ratio of the deposit. BMG hopes to reach a production decision late in 2000.

On January 19, 2000, the Washington Pollution Control Hearings Board (PCHB) issued a decision which reversed the water right permits and vacated the Clean Water Act Section 401 Certification for the **Crown Jewel** mine project. The PCHB stated that it had based its water rights decision mostly on concern that studies predicting the mine's impacts on water quantity, which were prepared by the agencies during the 7-year EIS and permitting process, do not provide sufficient certainty to support the Company's streamflow mitigation plan. The Water  
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### BMG posts reserve increase, announces earnings, add 3....

Quality Certification was rejected due to similar concerns with water quality studies and mitigation plans. The PCHB also held that the Company's wetlands mitigation plan, which was

approved not only by Ecology, but also by the U.S. Army Corps of Engineers, is not adequate. In light of the ruling, the Company has written-off the remaining carrying value in Crown Jewel and discontinued classifying the reserves as proven and probable. The Company is continuing to examine its various options, including appeal.

### **Operations**

In Canada, the **Golden Giant** mine performed well during the quarter with higher than plan grades contributing to higher than anticipated production and lower costs. Development work on Block 5 continued and test mining is now complete. Block 5 production will continue in 2000 as a normal part of mine operations. Shaft deepening operations are scheduled for completion in mid 2000.

The 88% owned **Kori Kollo** mine in Bolivia continued to have good performance and completed the year slightly ahead of plan. Cash operating costs for the year were lower than targeted, largely due to cost cutting measures implemented earlier in 1999.

The 84.65% owned **Holloway** mine completed the year with gold production approximately 1,500 ounces over plan, and cash operating costs averaging \$198 per ounce, compared with \$216 in 1998. Cash operating costs are expected to remain about \$200 per ounce at Holloway in 2000.

BMG's 50% joint venture interest in the **Pajingo complex** in Queensland, Australia, performed significantly ahead of plan due to the early completion of the mill expansion. BMG's share of total production at the Vera/Nancy mine this year is targeted to be 115,000 ounces at a cash operating cost of \$112 per ounce.

### **Exploration**

Exploration expenditures for the year were in line with target at \$16.7 million and are expected to be approximately \$11 million in 2000. Efforts this year are being targeted at five priority project areas including Phoenix, Holloway/Blacktop, Llallagua, Vera/Nancy and Casposo. Positive developments for the fourth quarter include significant drill results from the Blacktop project in Canada, Casposo in Argentina, Llallagua in Bolivia, and Phoenix in Nevada.

Exploration in Canada during the quarter focused on the **Holloway** area. Drilling continued on the **Blacktop** deposit, where nine drill holes were completed over a 300-meter strike length. Significant assay results include 0.32 opt/48 ft; 0.22 opt/18 ft; 0.19 opt/7 ft and 0.19 opt/13 ft. The main portion of the mineralized zone remains open to the west and at depth. The exploration program for 2000 is under way and, in addition to Blacktop, work in the immediate Holloway mine area has outlined a number of priority "satellite reserve" opportunities including the 500 XP corridor, the 500 XP Lightning Zone and the Middle Zone. Excellent potential also exists for both Lightning Zone and Contact Zone mineralization within 1,300 ft of the production shaft. Collectively, additional resources in all of these areas currently total approximately 750,000 ounces. All of these zones are potential satellite ore bodies that could be accessed via  
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### **BMG posts reserve increase, announces earnings, add 4....**

underground from the Holloway mine and will be the focus of exploration work this year at Holloway.

Aside from the Phoenix development work, exploration drilling at the **Battle Mountain Complex** during 1999 focused on the eastern side of the Copper Canyon property in the Plumas and Iron Canyon pit and 7 miles to the north at Copper Basin. The Plumas and Iron Canyon areas have potential for both new oxide (heap-leach) reserves and for higher grade (>0.06 opt Au) mill ore. Ten holes totaling 4,750 ft were drilled in and adjacent to the Iron Canyon pit. One core hole intersected mineralization assaying 0.306 opt Au (cut)/38 ft within a wider interval grading 0.177 opt Au/69.5 ft. Two other exploration holes assayed 0.114 opt Au/50 ft and 0.69 opt/90 ft. Eleven reverse circulation holes totaling 3,805 ft were drilled to test the Plumas targets, along and west of the Plumas fault. Results are mixed with one hole returning 0.223 opt Au/20 ft at a vertical depth of 220 ft. At Copper Basin to the north of the Phoenix pit, good results were obtained from all six reverse circulation holes drilled in the Surprise and Empire areas. Assays returned from the Surprise target include: 0.147 opt/25 ft, 0.095 opt/30 ft and 0.118 opt/15 ft. Empire area assays include: 0.068 opt/20 ft, 0.188 opt/55 ft, and 0.040 opt/35ft. High copper grades were encountered in one hole at Empire with 1.0% Cu occurring over 120 ft. Follow up drilling is planned for all of these exploration areas in 2000.

In Argentina, work focused on the **Casposo** project. A third phase of drilling was completed bringing the total for the year to 14,000 ft in 26 holes. The drill results continue to expand the mineralization with good gold grades and high silver in all but one of the holes. Significant results from the Kamila Zone include: 0.66 opt Au with 18.06 opt Ag/14 ft; 0.52 opt Au with 10.10 opt Ag/30 ft; 0.29 opt Au with 3.64 opt Ag/65 ft and 0.27 opt Au with 6.75 opt Ag/30 ft. The weakest intercept returned 0.06 opt Au with 3.49 opt Ag/40 ft. Mineralization remains open at depth and strike dimensions have yet to be defined. Initial metallurgical testing is in progress. Preliminary calculations have outlined a geologic resource containing in excess of 500,000 ounces of gold and 5,000,000 ounces of silver. The fourth round of drilling is ongoing.

At Pajingo, work during the quarter focused on completing resource extension drilling at Vera South, updating resource/reserve estimations for **Vera/Nancy**, and compiling/interpreting data to complete planning for 2000. The eastern and down-dip limits of the mineralization located east of Vera South are still undefined and some additional drilling will be completed during the first quarter of 2000. Vera South drilling resulted in a best drill intercept of 0.53 opt Au/20 ft during the quarter. Resource block models and inferred resource estimates were completed by the Company's operating partner, Normandy, for the Vera South and Veracity structures in December. Veracity may represent an opportunity to develop a source of medium-grade ore close to the planned development for Vera South. Future drilling is planned.

### **Other Matters**

The Board of Directors is continuing to consider the matter of nominees for board membership, but did not take action at its regularly scheduled meeting today.

The United States Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for certain forward-looking statements. Operating, exploration and financial data, and other statements in this document, are based on information that the Company believes reasonable, but involve significant uncertainties as to future gold prices, costs, ore grades, mining and processing conditions, and regulatory and permitting matters. Actual results and timetables could vary significantly from the estimates presented. Also refer to the cautionary statement contained in the Company's Form 10-K and 10-Q for the most recent reporting periods. #####

BATTLE MOUNTAIN GOLD COMPANY  
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS  
(UNAUDITED)

<i>US\$ millions, except per share amounts</i>	Three months ended		Twelve months ended	
	December 31		December 31	
	1999	1998	1999	1998
Sales	\$ 66.4	\$ 59.4	\$ 228.2	\$ 276.6
Costs and expenses				
Production costs	42.5	40.7	151.5	163.3
Depreciation, depletion and amortization	17.4	17.2	64.2	79.6
Exploration, evaluation & other lease costs, net	3.6	8.5	16.7	24.8
General and administrative expenses	2.8	3.0	14.1	14.1
Environmental remediation charge	-	-	9.5	-
Asset write-downs	35.9	194.9	35.9	194.9
Loss related to assets held for sale	<u>33.3</u>	<u>-</u>	<u>46.6</u>	<u>-</u>
Total costs and expenses	<u>135.5</u>	<u>264.3</u>	<u>338.5</u>	<u>476.7</u>
Operating loss	(69.1)	(204.9)	(110.3)	(200.1)
Interest expense	(3.9)	(3.9)	(15.1)	(17.8)
Interest income	0.8	2.0	4.1	10.7
Foreign currency exchange gain (loss), net	1.3	0.2	8.2	(12.4)
Minority interest in net loss (income)	0.4	0.8	1.5	(0.5)
Equity in losses of Lihir	-	(3.4)	-	(7.9)
Other income (expense), net	<u>(1.3)</u>	<u>0.3</u>	<u>(0.4)</u>	<u>0.5</u>
Loss before income taxes	(71.8)	(208.9)	(112.0)	(227.5)
Income tax benefit (expense)	(10.8)	(13.2)	(7.6)	(7.8)
Mining tax benefit (expense)	<u>2.6</u>	<u>(0.6)</u>	<u>0.2</u>	<u>(6.0)</u>
Net loss	(80.0)	(222.7)	(119.4)	(241.3)
Preferred dividends	<u>1.9</u>	<u>1.9</u>	<u>7.5</u>	<u>7.5</u>
Net loss to common shares	<u>\$ (81.9)</u>	<u>\$ (224.6)</u>	<u>\$ (126.9)</u>	<u>\$ (248.8)</u>
Loss per common share – basic and diluted	\$ (.36)	\$ (.98)	\$ (.55)	\$ (1.08)
Dividends per common share	\$ -	\$ -	\$ -	\$ .05
Average common shares outstanding for				
Basic and diluted loss per share purposes	229.9	229.8	229.9	229.8

BATTLE MOUNTAIN GOLD COMPANY  
CONDENSED CONSOLIDATED BALANCE SHEET

<u>US\$ millions</u>	December 31, <u>1999</u> (Unaudited)	December 31, <u>1998</u>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 36.3	\$ 147.6
Restricted cash	-	7.7
Accounts and notes receivable	12.9	13.8
Product inventories	8.6	8.9
Materials and supplies, at average cost	22.3	23.4
Assets held for sale	61.7	108.3
Other current assets	<u>7.9</u>	<u>2.7</u>
Total current assets	149.7	312.4
Investments	10.6	19.4
Property, plant and equipment, net	299.6	341.9
Restricted cash	40.0	-
Other assets	<u>6.7</u>	<u>20.4</u>
Total assets	<u>\$ 506.6</u>	<u>\$ 694.1</u>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities		
Short-term borrowings	\$ -	\$ 14.9
Current maturities of long-term debt	2.6	37.0
Debt due upon disposal of assets held for sale	30.0	-
Accounts payable	15.9	14.3
Income and mining taxes payable	16.6	23.9
Other current liabilities	<u>21.0</u>	<u>12.9</u>
Total current liabilities	86.1	103.0
Long-term debt	176.8	203.6
Deferred income and mining taxes	64.5	72.0
Other liabilities	<u>54.5</u>	<u>50.1</u>
Total liabilities	381.9	428.7
Minority interest	6.0	17.7
Shareholders' equity	<u>118.7</u>	<u>247.7</u>
Total liabilities and shareholders' equity	<u>\$ 506.6</u>	<u>\$ 694.1</u>

BATTLE MOUNTAIN GOLD COMPANY  
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
(UNAUDITED)

<i>US\$ millions</i>	Twelve months ended	
	<u>December 31</u>	
	<u>1999</u>	<u>1998</u>
Cash flows from operating activities		
Net loss	\$ (119.4)	\$(241.3)
Adjustments to reconcile net loss to cash flows		
from operating activities:		
Depreciation, depletion and amortization	64.2	79.6
Environmental remediation charges	9.5	-
Asset write-downs	35.9	194.9
Loss related to assets held for sale	46.6	-
Deferred income and mining taxes	2.1	(7.1)
Foreign currency exchange loss (gain), net	(8.2)	12.4
Equity in losses of Lihir	-	7.9
Change in working capital accounts, net	2.1	21.4
Other, net	<u>(4.7)</u>	<u>15.0</u>
Net cash flows provided by operating activities	<u>28.1</u>	<u>82.8</u>
Cash flows from investing activities		
Capital expenditures	(49.3)	(46.5)
Crown Butte liquidating dividend to minority shareholders	(11.0)	-
Proceeds from sale of assets	11.9	2.0
New World settlement	-	34.9
Investment in Lihir Gold Limited	-	(11.5)
Effects on cash of deconsolidation of Niugini Mining Limited	-	(49.6)
Other, net	<u>(0.1)</u>	<u>(3.4)</u>
Net cash flows used in investing activities	<u>(48.5)</u>	<u>(74.1)</u>
Cash flows from financing activities		
Debt repayments	(31.2)	(44.3)
Increase (decrease) in short-term borrowings	(14.9)	9.9
Cash dividend payments	(7.5)	(19.0)
Decrease (increase) in restricted cash	(31.7)	10.2
Other, net	<u>0.2</u>	<u>(0.5)</u>
Net cash flows used in financing activities	<u>(85.1)</u>	<u>(43.7)</u>
Effect of exchange rate changes on cash	<u>(5.8)</u>	<u>(2.4)</u>
Decrease in cash and cash equivalents	(111.3)	(37.4)
Cash and cash equivalents at beginning of year	<u>147.6</u>	<u>185.0</u>
Cash and cash equivalents at end of year	<u>\$ 36.3</u>	<u>\$ 147.6</u>

SUPPLEMENTAL INFORMATION - OPERATING DATA (Unaudited) <sup>(1)</sup>  
(Production data reflects BMG attributable interests)  
(US\$, ounces in thousands)

	Three months ended		Twelve months ended	
	<u>December 31</u>		<u>December 31</u>	
	<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>
<b>GOLDEN GIANT</b>				
Gold ounces recovered	98	72	356	366
Silver ounces recovered	6	3	22	26
<b>Cost per Gold Ounce Produced</b>				
Cash production costs	\$ 131	\$ 149	\$ 145	\$ 122
Depreciation, depletion and amortization	65	64	65	66
Reclamation and mine closure costs	<u>8</u>	<u>4</u>	<u>5</u>	<u>4</u>
Total production costs	\$ 204	\$ 217	\$ 215	\$ 192
<b>KORI KOLLO (88% Interest)</b>				
Gold ounces recovered	69	75	256	295
Silver ounces recovered	171	202	687	852
<b>Cost per Gold Ounce Produced <sup>(2)</sup></b>				
Cash production costs	\$ 185	\$ 129	\$ 190	\$ 165
Depreciation, depletion and amortization	89	117	89	127
Reclamation and mine closure costs	<u>25</u>	<u>11</u>	<u>15</u>	<u>11</u>
Total production costs	\$ 299	\$ 257	\$ 294	\$ 303
<b>HOLLOWAY (84.65% Interest)</b>				
Gold ounces recovered	20	21	91	80
<b>Cost per Gold Ounce Produced</b>				
Cash production costs	\$ 230	\$ 205	\$ 198	\$ 216
Depreciation, depletion and amortization	133	115	131	114
Reclamation and mine closure costs	<u>3</u>	<u>2</u>	<u>2</u>	<u>2</u>
Total production costs	\$ 366	\$ 322	\$ 331	\$ 332
<b>VERA/NANCY (50% Interest)</b>				
Gold ounces recovered	22	12	67	47
Silver ounces recovered	15	11	50	40
<b>Cost per Gold Ounce Produced</b>				
Cash production costs	\$ 140	\$ 129	\$ 124	\$ 135
Depreciation, depletion and amortization	57	37	42	32
Reclamation and mine closure costs	<u>2</u>	<u>1</u>	<u>2</u>	<u>1</u>
Total production costs	\$ 199	\$ 167	\$ 168	\$ 168
<b>OTHER <sup>(3)</sup></b>				
Gold ounces recovered		19		101
Silver ounces recovered		21		117
<b>Cost per Gold Ounce Produced</b>				
Cash production costs		\$ 341		\$ 253
Depreciation, depletion and amortization		<u>141</u>		<u>103</u>
Total production costs		\$ 482		\$ 356

SUPPLEMENTAL INFORMATION - OPERATING DATA (Unaudited) <sup>(1)</sup>

(Production data reflects BMG attributable interests)

(US\$, ounces in thousands)

	Three months ended		Twelve months ended	
	<u>December 31</u>		<u>December 31</u>	
	<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>
<b>AGGREGATE DATA</b>				
Gold ounces recovered – BMG share	209	199	770	889
Gold ounces sold - BMG share	213	195	771	884
Gold ounces recovered	219	223	806	992
Gold ounces sold	221	218	806	987
Average price per gold ounce realized	\$ 294	\$ 305	\$ 278	\$ 306
Silver ounces recovered – BMG share	192	236	759	1,034
Silver ounces sold - BMG share	197	232	759	1,032
Silver ounces recovered	215	270	852	1,187
Silver ounces sold	222	266	853	1,186
Average price per silver ounce realized	\$ 5.28	\$ 4.64	\$ 5.22	\$ 5.50
<b>Weighted Average Cost per Gold Ounce Produced</b>				
Cash production costs	\$ 159	\$ 165	\$ 164	\$ 160
Depreciation, depletion and amortization	79	95	79	94
Reclamation and mine closure costs	<u>13</u>	<u>6</u>	<u>8</u>	<u>5</u>
Total production costs	\$ 251	\$ 266	\$ 251	\$ 259

<sup>(1)</sup> Effective January 1, 1999, current and prior period production costs are presented on an ounces-produced basis, versus an ounces-sold basis as previously reported.

Cash production costs are presented in accordance with guidelines established by The Gold Institute. In addition to mining, milling and plant level general and administrative expenses, cash production costs include royalties, freight, smelting costs and allowances, and production taxes. Credits for by-product silver and copper are offset against these cash production costs. These guidelines also provide for reporting on a cost per gold ounce basis, rather than cost per equivalent gold ounce.

<sup>(2)</sup> Royalties paid to the Bolivian government for the Kori Kollo mine are treated as income tax for per ounce cost calculations and are therefore not included in these cost calculations.

<sup>(3)</sup> Production data for the Reona mine at the Battle Mountain Complex is not presented for 1999 because it was placed on care and maintenance effective January 1, 1999. Data for the Lihir and San Cristobal mines are not included in 1999 as Battle Mountain Gold classified the investment in Niugini Mining Limited as an asset held for sale effective December 31, 1998.

**HEDGING DATA\***

<u>Instruments</u>	<u>Volume</u>	<u>Price</u>	<u>Periods</u>
Puts	50,000	\$270	1 <sup>st</sup> Qtr '00 to 4 <sup>th</sup> Qtr '03
	100,000	\$280	1 <sup>st</sup> Qtr '00 to 4 <sup>th</sup> Qtr '03
	100,000	\$290	1 <sup>st</sup> Qtr '00 to 4 <sup>th</sup> Qtr '03
	100,000	\$320	1 <sup>st</sup> Qtr '00 to 4 <sup>th</sup> Qtr '03
Calls	100,000	\$335	1 <sup>st</sup> Qtr '00 to 4 <sup>th</sup> Qtr '03
	100,000	\$340	1 <sup>st</sup> Qtr '00 to 4 <sup>th</sup> Qtr '03
	50,000	\$352	1 <sup>st</sup> Qtr '00 to 4 <sup>th</sup> Qtr '03
	100,000	\$370	1 <sup>st</sup> Qtr '00 to 4 <sup>th</sup> Qtr '03
Flat Forwards	100,000	\$312	1 <sup>st</sup> Qtr '00 to 4 <sup>th</sup> Qtr '03
	25,000	\$323	2 <sup>nd</sup> Qtr '00 to 1 <sup>st</sup> Qtr '04
	25,000	\$329	2 <sup>nd</sup> Qtr '00 to 1 <sup>st</sup> Qtr '04

\*The puts are the minimum price BMG will receive, while the offsetting calls, having a higher price, allow BMG to participate in a rising gold market. All ounces sold through the forwards will be at the stated prices. There is no lease rate exposure or margin requirements on these hedges. The above 500,000 ounces are deliverable over 16 equal periods, and equal about 31,000 ounces per period, or about 15% of BMG's expected gold production in any given period, if fully exercised.