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**To:** Company Announcements Office

**From:** Francesca Lee

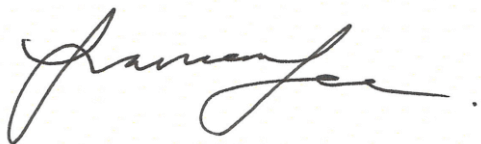
**Date:** 15 February 2016

**Subject:** Presentation - Half Year Results

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Please find attached a presentation that will be given at the Company's Half Year Financial Results briefing today at 11am. The briefing can be accessed from this link [Half Year Presentation Briefing](#) or through the Company's website, and will also be available for replaying at the end of the call.

Yours sincerely



Francesca Lee  
Company Secretary



# FY16 Half Year Financial Results

15 February 2016

Sandeep Biswas  
Managing Director and Chief Executive Officer

Gerard Bond  
Finance Director and Chief Financial Officer



# Disclaimer

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## Forward Looking Statements

These materials include forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, “outlook”, and “guidance”, or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs. The Company continues to distinguish between outlook and guidance in forward looking statements. Guidance statements are a risk-weighted assessment constituting Newcrest’s current expectation as to the range in which its gold production in the current financial year will ultimately fall. Outlook statements are a risk-weighted assessment constituting Newcrest’s current view regarding the possible range of gold production in years subsequent to the current financial year.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company’s business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the company or management or beyond the Company’s control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant securities exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

# Disclaimer

## Ore Reserves and Mineral Resources Reporting Requirements

As an Australian company with securities listed on the Australian Securities Exchange (“ASX”), Newcrest is subject to Australian disclosure requirements and standards, including the requirements of the Corporations Act and the ASX. Investors should note that it is a requirement of the ASX listing rules that the reporting of ore reserves and mineral resources in Australia comply with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the “JORC Code”) and that Newcrest’s ore reserve and mineral resource estimates comply with the JORC Code.

## Competent Person’s Statement

The information in this release that relates to Mineral Resources or Ore Reserves has been extracted from the release titled “Annual Mineral Resources and Ore Reserves Statement – 31 December 2015” dated 15 February 2016 (the original release). Newcrest confirms that it is not aware of any new information or data that materially affects the information included in the original release and, in the case of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the original release continue to apply and have not materially changed. Newcrest confirms that the form and context in which the competent person’s findings are presented have not been materially modified from the original release.

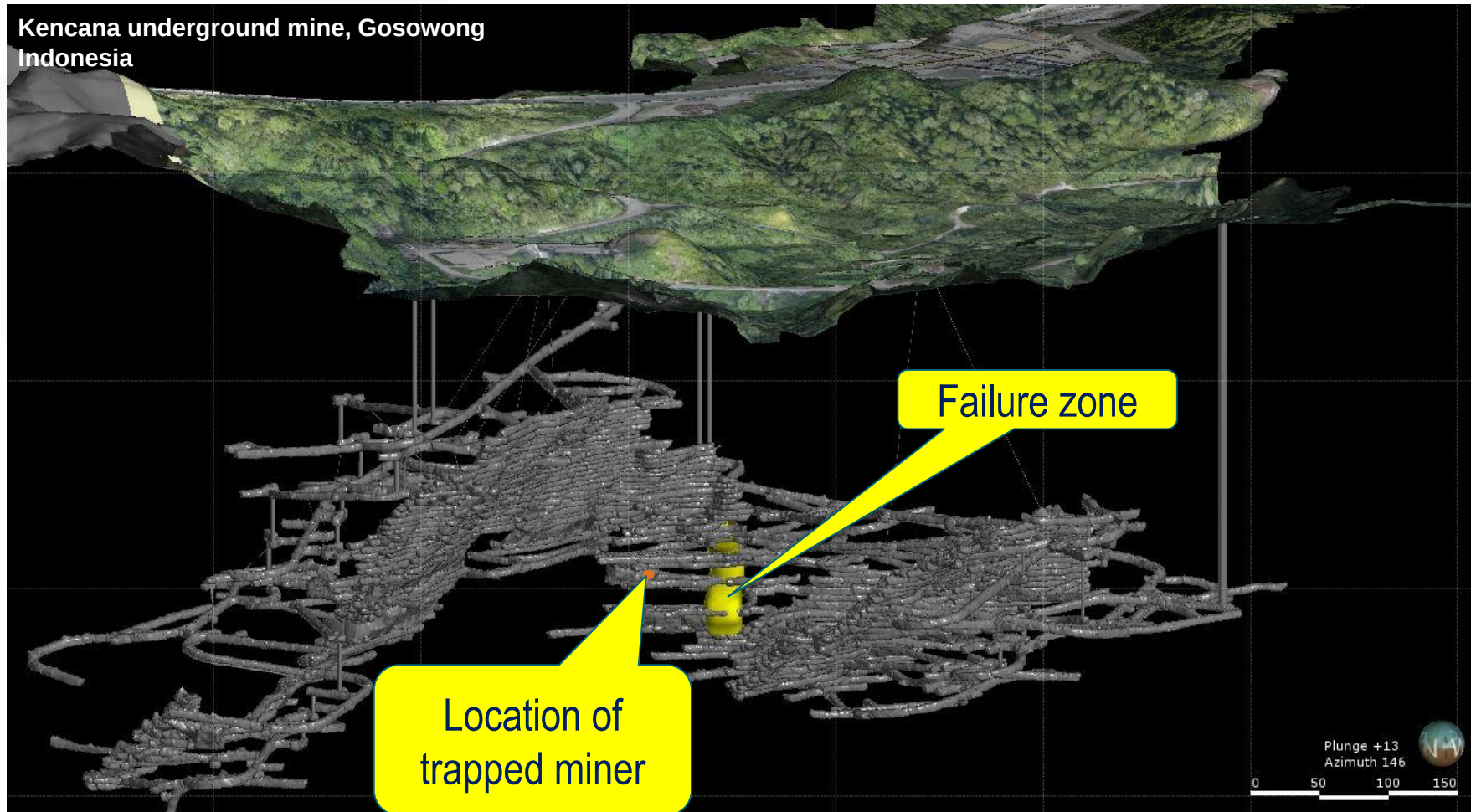
## Non-IFRS Financial Information

This presentation is a summary document and should be read in conjunction with the Appendix 4D on the ASX platform. Newcrest results are reported under International Financial Reporting Standards (IFRS) including EBIT (earnings before interest, tax and significant items) and EBITDA (earnings before interest, tax, depreciation and amortisation and significant items) which are used to measure segment performance. This presentation also includes certain non-IFRS financial information including **Underlying profit** (profit after tax before significant items attributable to owners of the parent company), **All-In Sustaining Cost** (determined in accordance with the World Gold Council Guidance Note on Non-GAAP Metrics released June 2013), **AISC Margin** (realised gold price less AISC per ounce sold (where expressed as USD), or realised gold price less AISC per ounce sold divided by realised gold price (where expressed as a %)) **Interest Coverage Ratio** (EBITDA/Interest payable for the relevant period), **Free cash flow** (cash flow from operating activities less cash flow related to investing activities), **EBITDA margin** (EBITDA expressed as a percentage of revenue) and **EBIT margin** (EBIT expressed as a percentage of revenue). These measures are used internally by management to assess the performance of the business and make decisions on the allocation of resources and are included in this presentation to provide greater understanding of the underlying performance of Newcrest’s operations. When reviewing business performance, this non-IFRS information should be used in addition to, and not as a replacement of, measures prepared in accordance with IFRS. The non-IFRS information has not been subject to audit or review by Newcrest’s external auditor. Newcrest Group All-In Sustaining Costs will vary from period to period as a result of various factors including production performance, timing of sales, the level of sustaining capital and the relative contribution of each asset. Reconciliations of non-IFRS measures to the most appropriate IFRS measure are included on slides 40 and 41 of this presentation.

## Historical USD figures

Comparative financial information included in this presentation, previously reported in AUD has been restated into USD. Further details of the restatement process are provided in the ASX Appendix 4D Half Year Financial Report released 15 February 2016 and the Market Release of 17 December 2015.

# Update on rescue effort



# Update on rescue effort



Photo taken by Pak Mursalim showing rig



Bore hole machine in operation

- 8 February - ~8:30pm local time a geotechnical event occurred
- Mine evacuated – Pak Mursalim Sahman trapped
- Three levels of crisis management team immediately established and global expertise accessed
- 9 February - contact made with Pak Mursalim
- 10 February – first life support drill hole established
- 11 February – second life support hole established
- 12 February – Work commences on large diameter bore hole
- 14 February – Large diameter bore hole reached chamber
- 15 February – Work continues on lining bore hole

# Overview



|                                | Slides  |
|--------------------------------|---------|
| Safety                         | 7       |
| Half Year FY16 Summary         | 8 - 16  |
| Financial results              | 17 - 23 |
| Update on Lihir, Golpu & Cadia | 24 - 34 |
| Growth                         | 35 - 36 |
| Summary                        | 37      |
| Appendices                     | 38 - 49 |

# Safety – Three focus areas

## Our safety vision

Everybody going home safe and healthy every day

## Measure of success

Zero fatalities and life-changing injuries

1

**Build a stronger  
safety culture  
through  
NewSafe**



2

**Critical  
controls for  
every high-risk  
task**



3

**Robust  
process safety  
management**



**Supported by the right systems and tools**

# Half Year FY16 Summary

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- Statutory profit<sup>1</sup> USD 81m and Underlying profit<sup>2</sup> USD 63m
- Free cash flow<sup>2</sup> of USD 254m
- Net debt reduction of USD 235m from 30 June 2015
- Gold production up 6% half-on-half to 1.2Moz
- Copper production down 23% half-on-half to 39kt
- EBITDA margin<sup>2</sup> of 35%
- 5% lower All-In Sustaining Cost<sup>2</sup> of USD 770/oz (delivering an AISC margin<sup>2</sup> of 31%)
- Newcrest moved to USD reporting



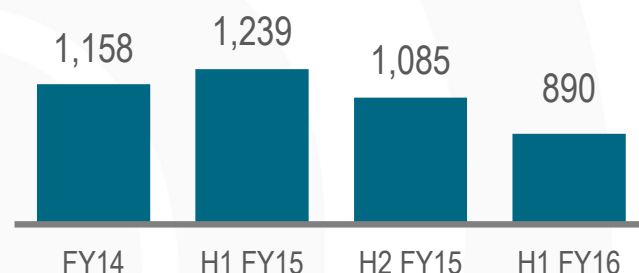
Cadia operations

1 Difference between Statutory profit and Underlying profit is profit of USD 18m on disposal of Newcrest's remaining holding in Evolution Mining Limited  
2 Refer to slide 3 "Non-IFRS Financial Information"

# Lihir – Focus on operational improvements starting to deliver

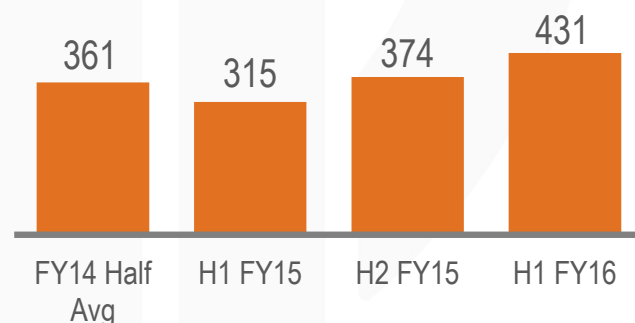
## All-In Sustaining Cost<sup>1</sup>

USD per ounce



## Gold production

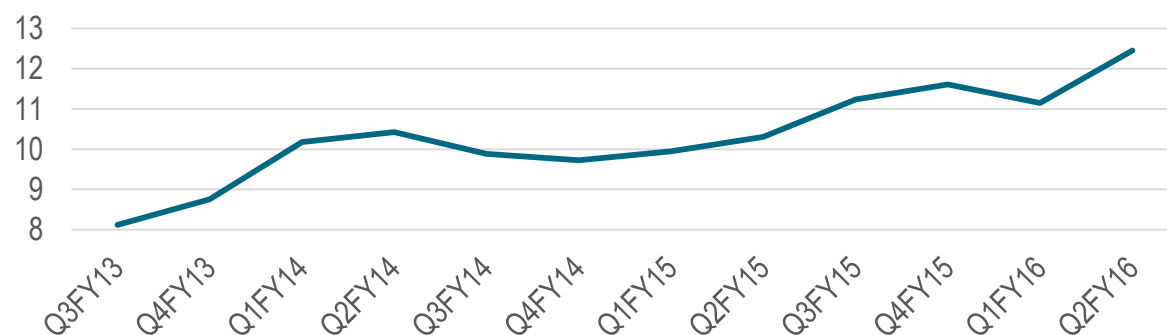
koz



## H1 FY16 operational overview

- AISC of USD 890/oz for H1 FY16 (28% improvement period on period)
- Production increase of 37% half-on-half
- Achieved 12.4 mtpa grinding throughput rate in December 2015 quarter
- Targeting 13 mtpa sustainable grinding throughput rate by end of December 2016<sup>2,3</sup>
- Require consistent rainfall to avoid impacting production

## Annualised grinding throughput by quarter (mt)



<sup>1</sup> Refer to slide 3 "Non-IFRS Financial Information"

<sup>2</sup> Subject to operating and market conditions and no unforeseen circumstances occurring. Refer to slide 2 "Forward Looking Statements"

<sup>3</sup> This should not be construed as production guidance from the Company now or in the future. Potential production and throughput rates are subject to a range of contingencies which may affect performance

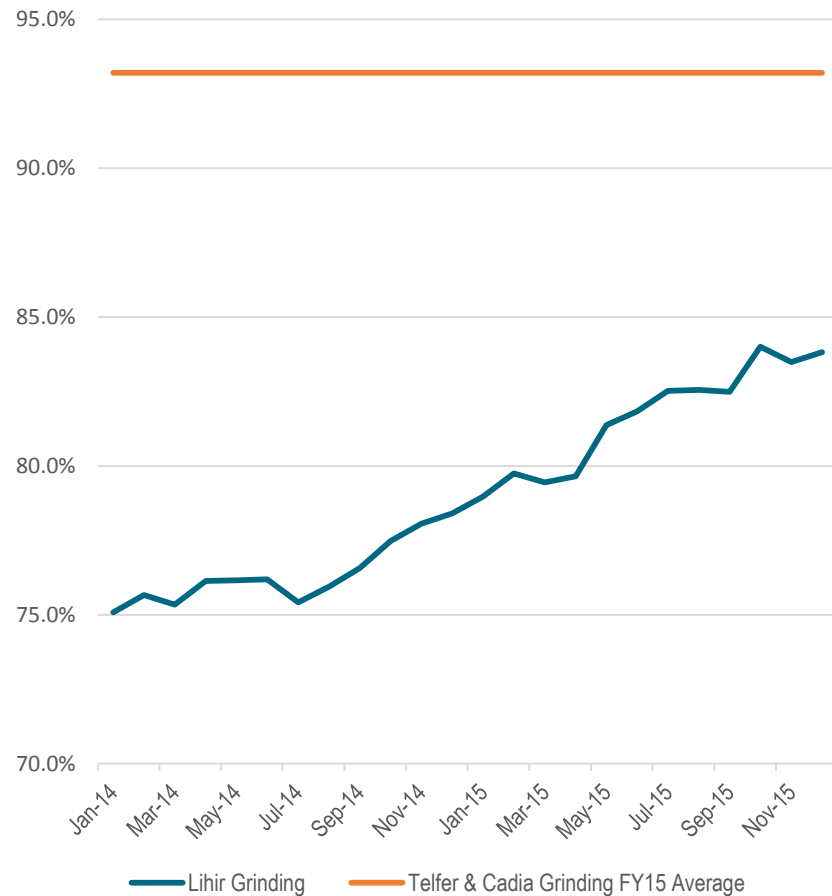
# Lihir – Breaking the reactive maintenance cycle

## Improving the maintenance cycle

- 'Runtime' (or availability) has been a key focus
- Have successfully improved planned v unplanned maintenance
- Scope for even more improvement = further realisation of potential



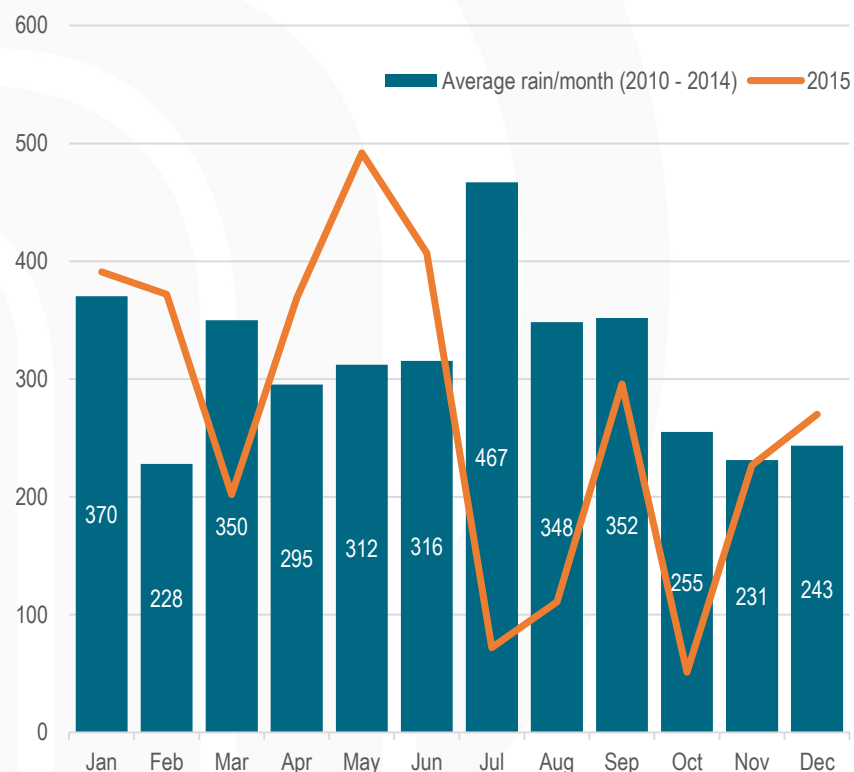
Grinding Utilisation (run time / calendar time)  
12 Month Moving Average



# Lihir – Water initiatives being implemented

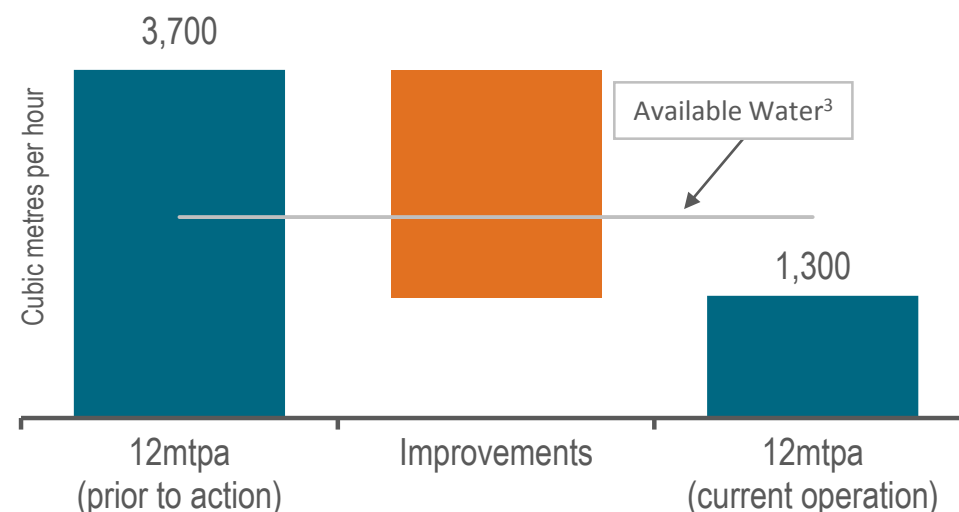
## Rainfall at Upper Londolovit<sup>1</sup>

Monthly average (mm)



## Water Usage<sup>2,3</sup>

Cubic metres per hour



Key water saving improvements include:

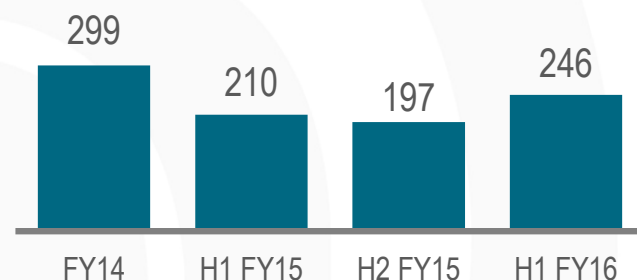
- Use of sea water where safe to do so
- Reduction in wash water
- Harvesting additional water (e.g. from flotation tails thickener)

<sup>1</sup> Based on Upper Londolovit gauging station  
<sup>2</sup> Refer to slide 2 "Forward Looking Statements". Figures are approximate as there can be a number of influencing variables  
<sup>3</sup> Includes consideration of Newcrest's operating licence conditions

# Cadia – Challenging first half FY16

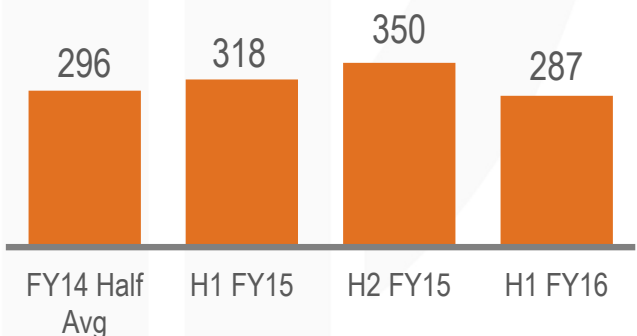
## All-In Sustaining Cost<sup>1</sup>

USD per ounce



## Gold production

koz



## H1 FY16 operational overview

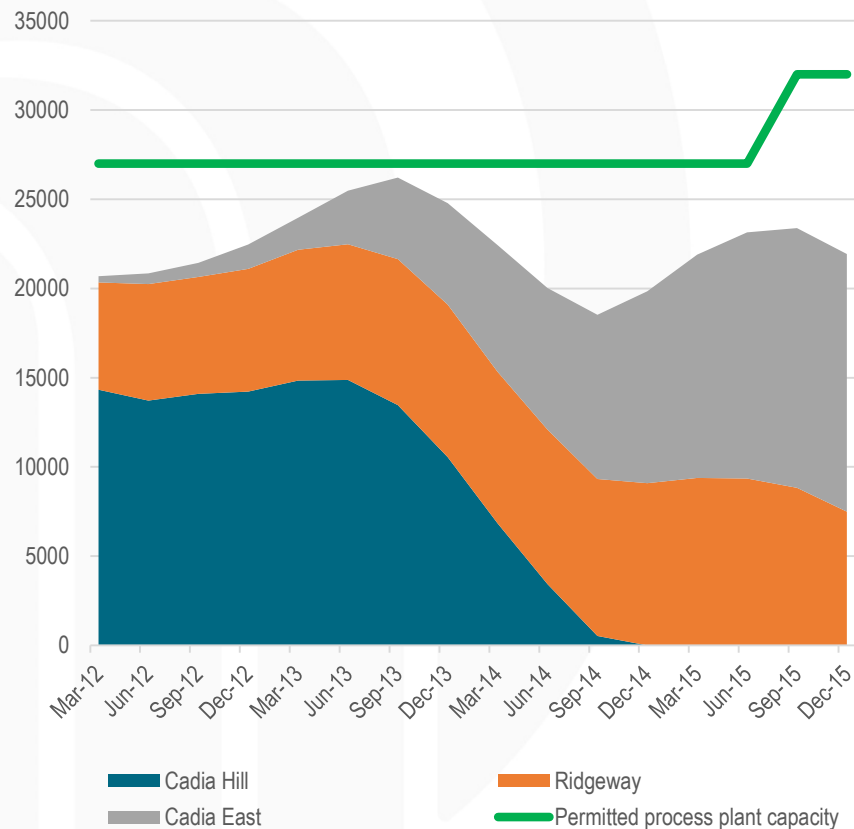
- Fatality in September 2015
- Gold and copper production impacted by main SAG Mill motor issue
- SAG mill repaired and bypass built to mitigate impact of any future mill outages
- Achieved 24.3 mtpa annualised throughput rate in December 2015
- Lower copper prices adversely impacted AISC per ounce

1 Refer to slide 3 "Non-IFRS Financial Information"

# Cadia – Transitioning to Cadia East

## Ore processed at Cadia by ore source<sup>1,2</sup>

Rolling 12 month (tonnes)



- Panel Cave 2 undercut progressing as planned
- Early stages of Panel Cave 1 interaction with Panel Cave 2 progressing in accordance with cave management plan
- Ridgeway scheduled to be on care and maintenance from 3 March 2016
- Significant reduction in site workforce occurring with Ridgeway being placed on care and maintenance
- Permit to increase processing capacity to 32 mtpa approved and targeting PFS completion by 30 June 2016

<sup>1</sup> Rolling 12 month period end date specified in graph (i.e. March 2012 represents period 1 April 2011 to 31 March 2012)  
<sup>2</sup> See announcement dated 11 September 2015 titled "Permit granted to increase Cadia processing plant capacity"

# Cadia – Update on Concentrator 1 SAG mill outage<sup>1</sup>

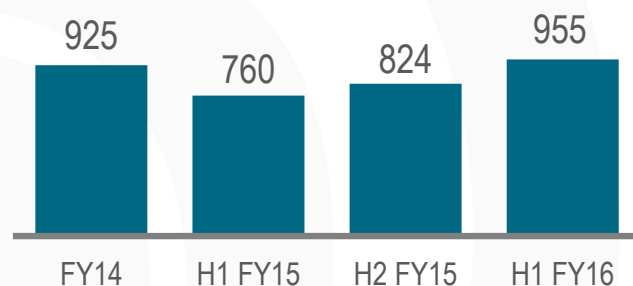
- Following repairs, Concentrator 1 SAG Mill now operating at full capacity
- Will eventually require full rewind or replacement; currently assessing best option
- Bypass conveyor installed - will reduce impact of any future downtime (including planned maintenance)
- Excess stockpiles generated as a result of the SAG mill outage are expected to be largely processed by end of the current financial year



# Telfer – First half FY16 impacted by access to ore

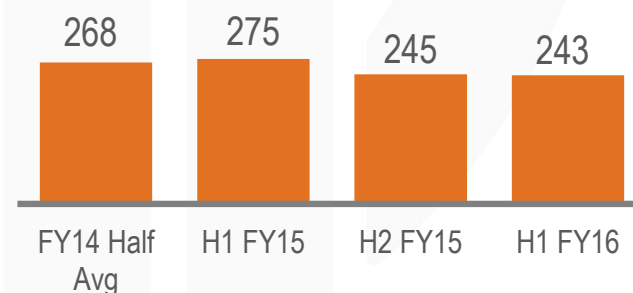
## All-In Sustaining Cost<sup>1</sup>

USD per ounce



## Gold production

koz



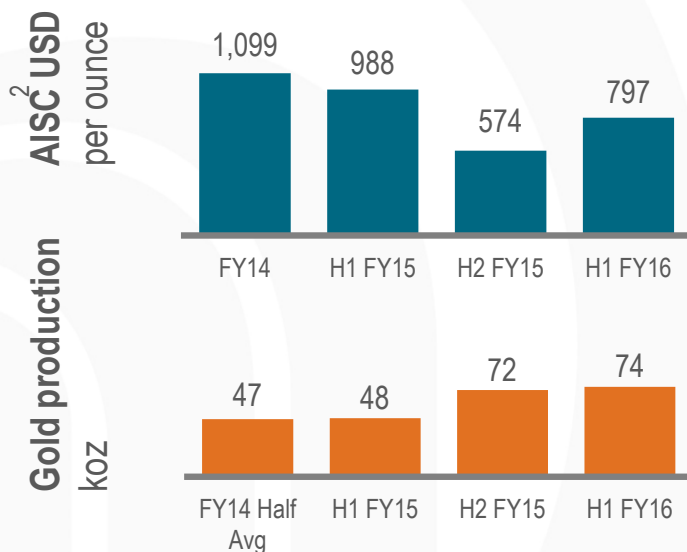
## H1 FY16 Operational overview

- Waste stripping continues on stages 6 / 7 of Main Dome
- AISC per oz was impacted by:
  - constraints on open pit and underground activity reducing ore grade to the mill
  - increased production stripping expenditure
  - lower by-product credits
- Indigenous Land Use Agreement signed between Newcrest and the Martu people in December 2015
  - confirms current arrangements and provides certainty to all parties
- Have transitioned to open pit contract mining with Macmahon (February 2016)

<sup>1</sup> Refer to slide 3 "Non-IFRS Financial Information"

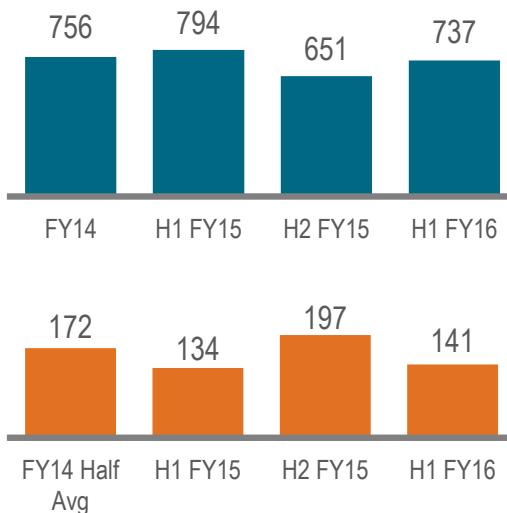
# H1 FY16 - Overview of other operations<sup>1</sup>

## Bonikro



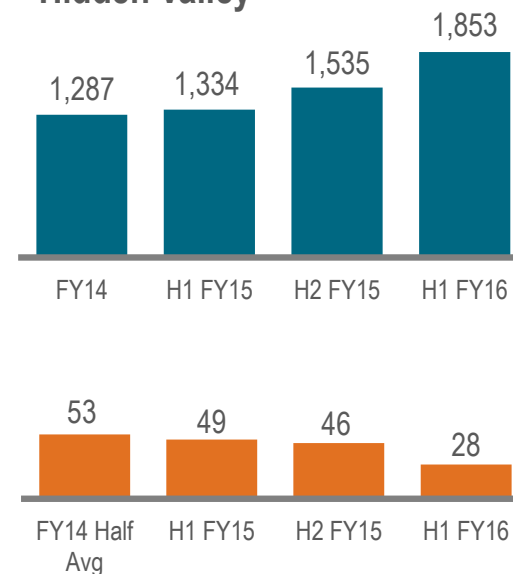
- Bonikro pit on care and maintenance
- Accessing Hiré pit
- Improved grade

## Gosowong



- Lower gold production due to lower tonnes from high-grade zones of Toguraci underground
- Tailings dam extension commenced

## Hidden Valley



- Fatality in July 2015
- Unacceptable costs and cashflow
- Future strategic options being reviewed

<sup>1</sup> All data relating to operations is shown as 100%, apart from Hidden Valley which is shown at Newcrest's ownership percentage of 50%. Newcrest owns 75% of Gosowong through its holding in PT Nusa Halmahera Minerals, an incorporated joint venture, Bonikro includes mining and exploration interests in Côte d'Ivoire which are held by the following entities: LGL Mines CI SA (of which Newcrest owns 89.89%), LGL Exploration CI SA (of which Newcrest owns 100%) and LGL Resources CI SA (of which Newcrest owns 99.89%)

<sup>2</sup> Refer to slide 3 "Non-IFRS Financial Information"



# 2016 Half Year Financial Results

Gerard Bond  
Finance Director and Chief Financial Officer

# FY16 Half Year financial highlights

## Profitability

- Statutory profit<sup>1</sup> USD 81m and Underlying profit<sup>1,2</sup> USD 63m
- EBITDA<sup>2</sup> USD 545m
- EBITDA margin<sup>2</sup> 35%
- AISC<sup>2</sup> margin USD 343/oz (or 31%)

## Cash Flow

- Cash flow from operating activities of USD 367m
- Free cash flow<sup>2</sup> of USD 254m

## Balance Sheet as at 31 December 2015

- USD 235m of net debt reduction since 30 June 2015
- USD 2.65bn net debt
- USD 2.6bn in cash and undrawn bank facilities
- Net debt to EBITDA ratio of 2.1x (down from 2.6x 12 months ago)
- Gearing 28.1%

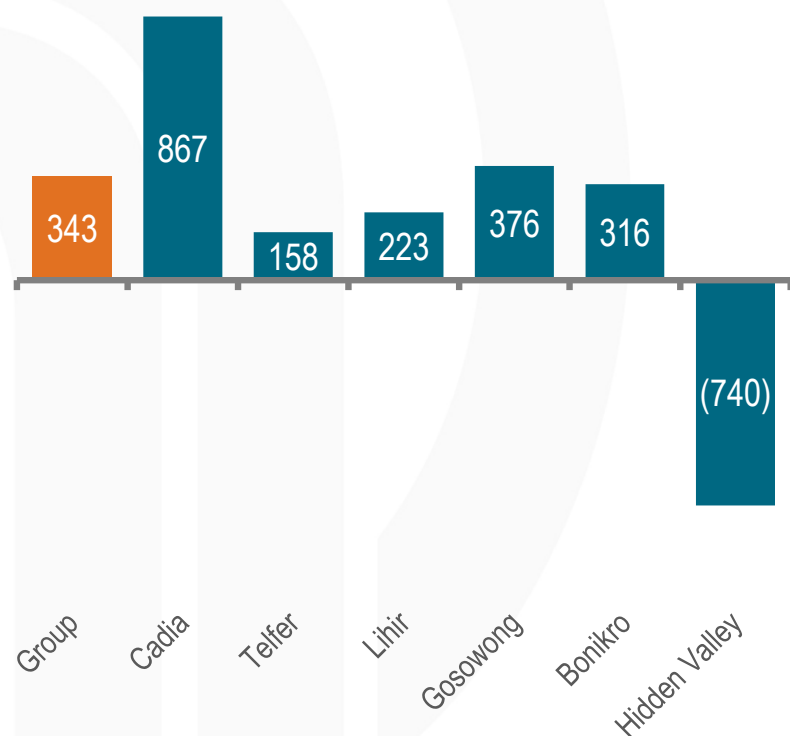
Cadia



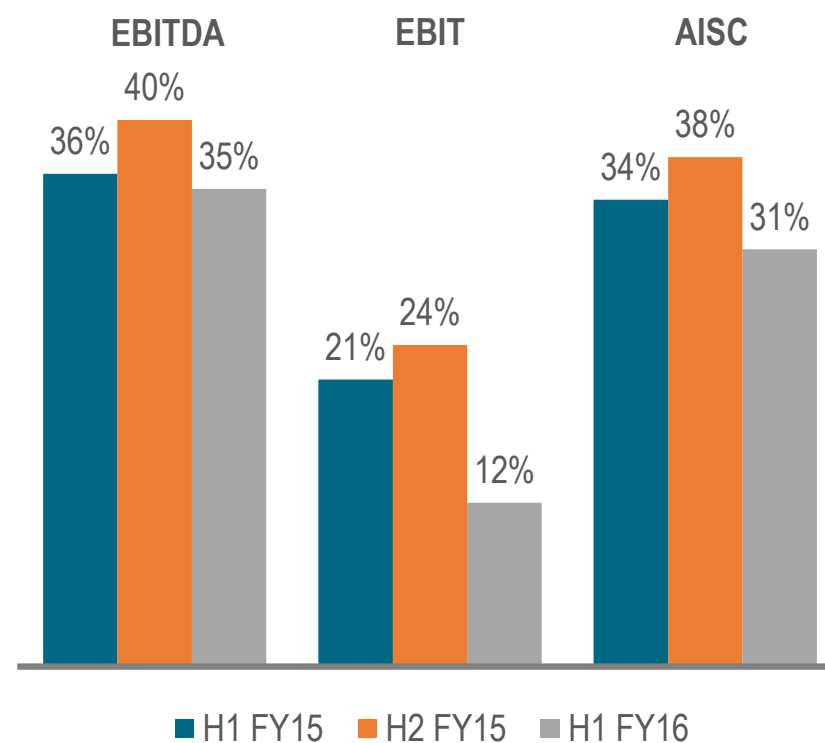
1 Difference between Statutory profit and Underlying profit is profit of USD 18m on disposal of Newcrest's remaining holding in Evolution Mining Limited  
2 Refer to slide 3 "Non-IFRS Financial Information"

# Margins impacted by metal prices, copper volumes & FX

All In Sustaining Cost<sup>1</sup> margin H1 FY16  
USD/oz

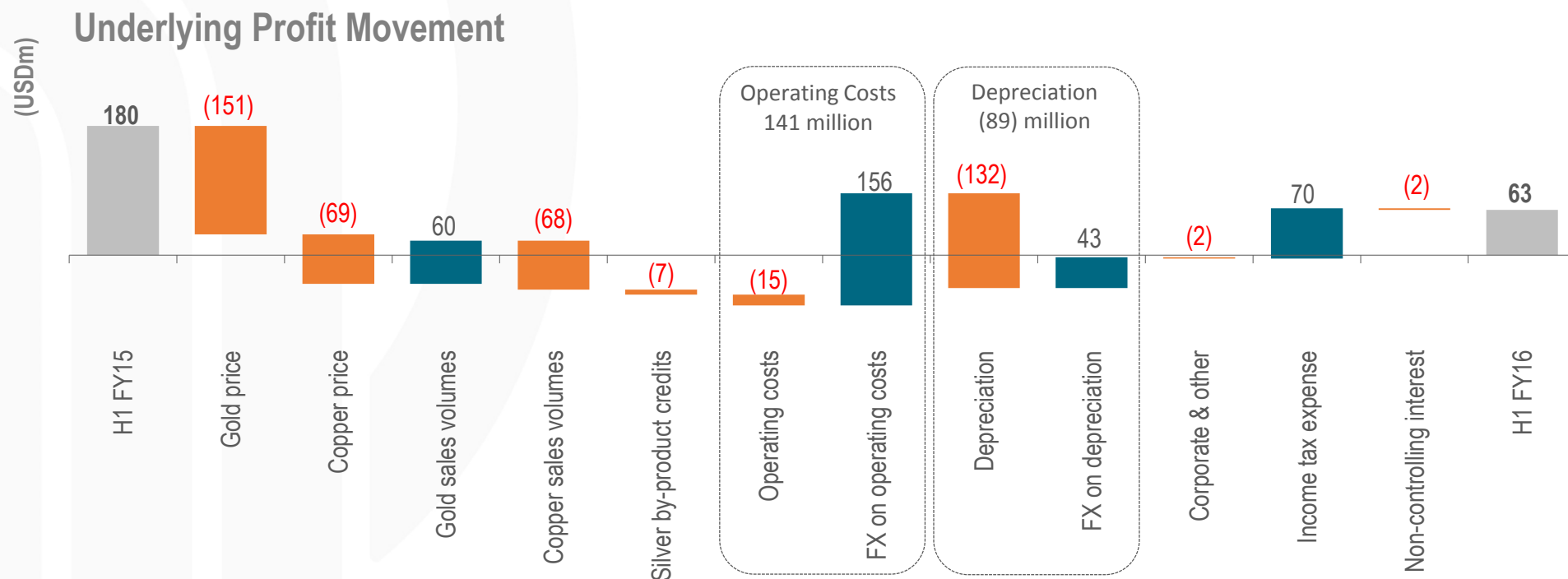


Operating Margins<sup>1</sup>  
%



# Group Underlying profit<sup>1</sup> of USD 63m

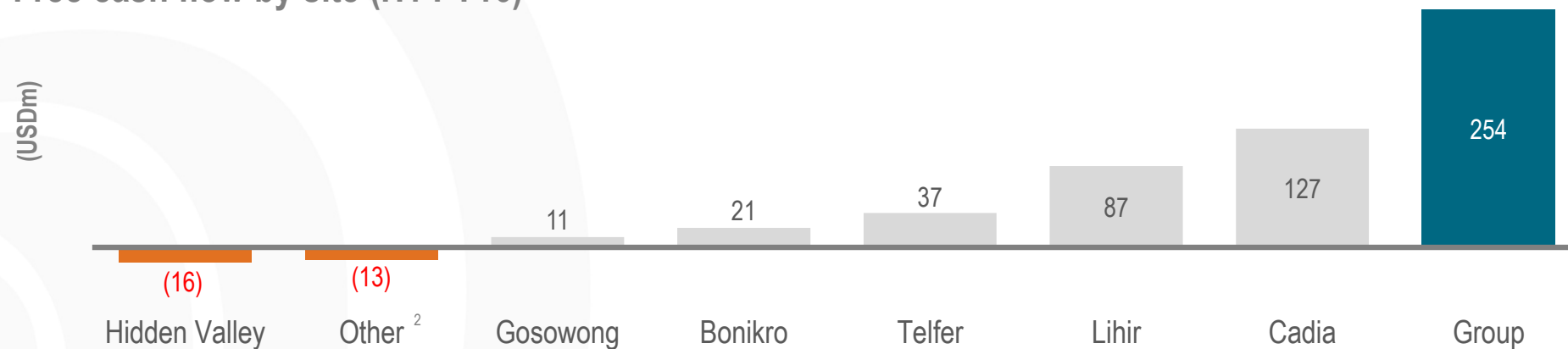
- USD 222m negative impact from commodity prices
- Higher gold production from Lihir and Bonikro offset by lower gold and copper production from Cadia and Telfer
- Operating costs benefitting from weakening of operating currencies against US dollar



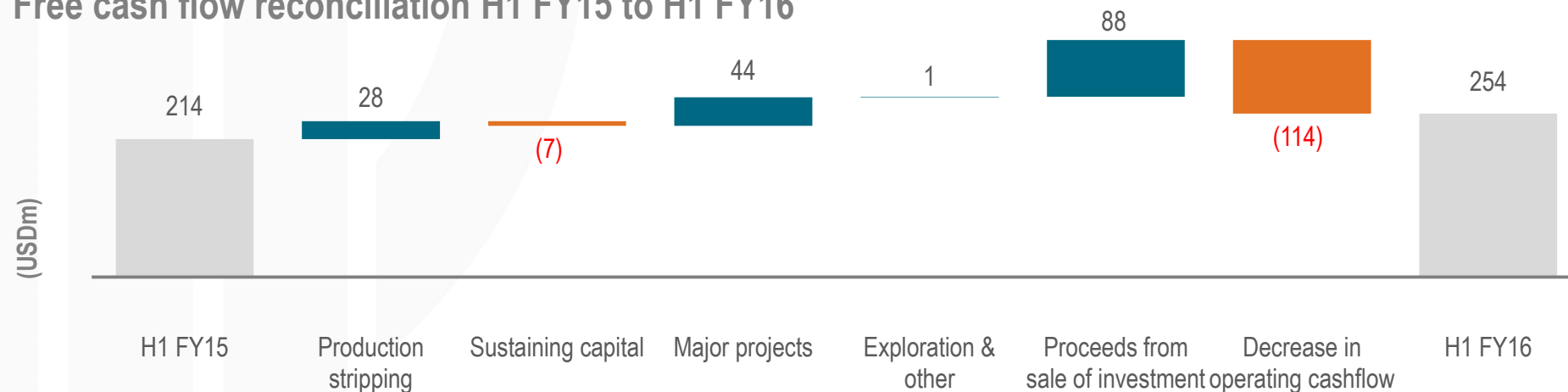
1 Refer to slide 3 "Non-IFRS Financial Information". Note: Statutory profit of USD 81m

# Increased free cash flow<sup>1</sup>

## Free cash flow by site (H1 FY16)



## Free cash flow reconciliation H1 FY15 to H1 FY16



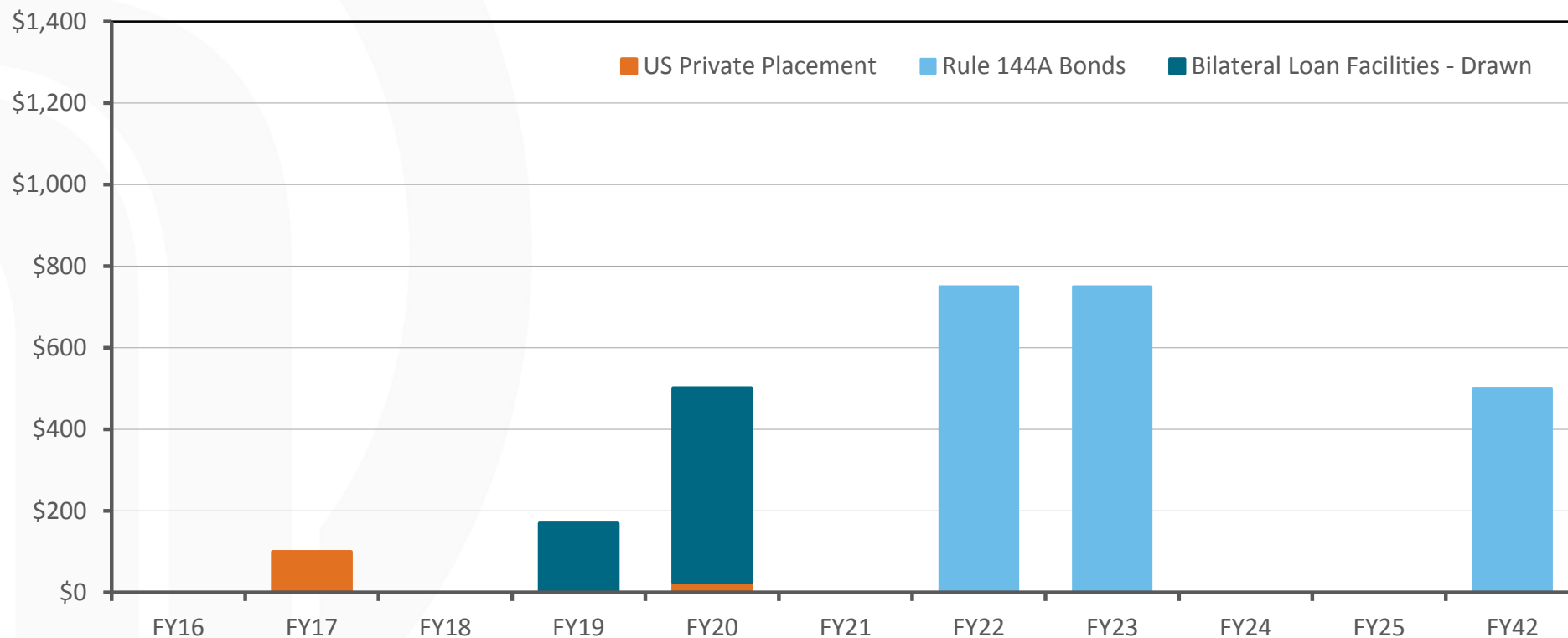
<sup>1</sup> Refer to slide 3 "Non-IFRS Financial Information"

<sup>2</sup> "Other" includes corporate overhead, interest paid and proceeds from sale of the remaining investment in Evolution Mining Limited

# Long-dated debt maturity profile

Maturity profile as at 31 December 2015<sup>1,2</sup>

USDm



- USD 2.5bn remain undrawn on USD 3.15bn of committed bilateral loan facilities<sup>3</sup>

1 Assuming longest dated bilateral facilities drawn first

2 All Newcrest's debt is denominated in USD

3 Does not include a USD 50m PTNHM facility which was undrawn as at 31 December 2015

# Improved performance against target financial policy parameters

| Metric                              | Target                                                          | 31 December 2014       | 30 June 2015           | 31 December 2015       |
|-------------------------------------|-----------------------------------------------------------------|------------------------|------------------------|------------------------|
| Leverage ratio<br>(Net debt/EBITDA) | Less than 2.0x (for trailing 12 months)                         | 2.6x                   | 2.2x                   | 2.1x                   |
| Gearing Ratio                       | Less than 25%                                                   | 34%                    | 29%                    | 28%                    |
| Credit rating                       | Aim to maintain investment grade                                | Investment grade       | Investment grade       | Investment grade       |
| Coverage                            | Cash and committed undrawn bank facilities of at least USD1.0bn | USD 1.8bn <sup>1</sup> | USD 2.4bn <sup>1</sup> | USD 2.6bn <sup>1</sup> |

## Dividend

No interim dividend declared, having regard to

- First half profitability
- Current market conditions
- Financial metric targets
- Near term focus remains on repaying debt

<sup>1</sup> Does not include a USD 50m PTNHM facility which was undrawn at each of the relevant dates



# Three assets with life of 30+ Years

Sandeep Biswas  
Managing Director and Chief Executive Officer

# Lihir - New operating strategy unlocks lower capital option

## REVISED OPERATING STRATEGY

Sulphur removed as a constraint

12mtpa grinding throughput rate achieved

13mtpa<sup>1</sup> grinding sustainable throughput rate target set 31 December 2016

## PIT OPTIMISATION

Changed from vertical to lateral

Staged cooling and depressurisation

Ex-pit & stockpile value based sequencing

## SEEPAGE BARRIER OPTION

Reduced capital expenditure

Capital efficiency

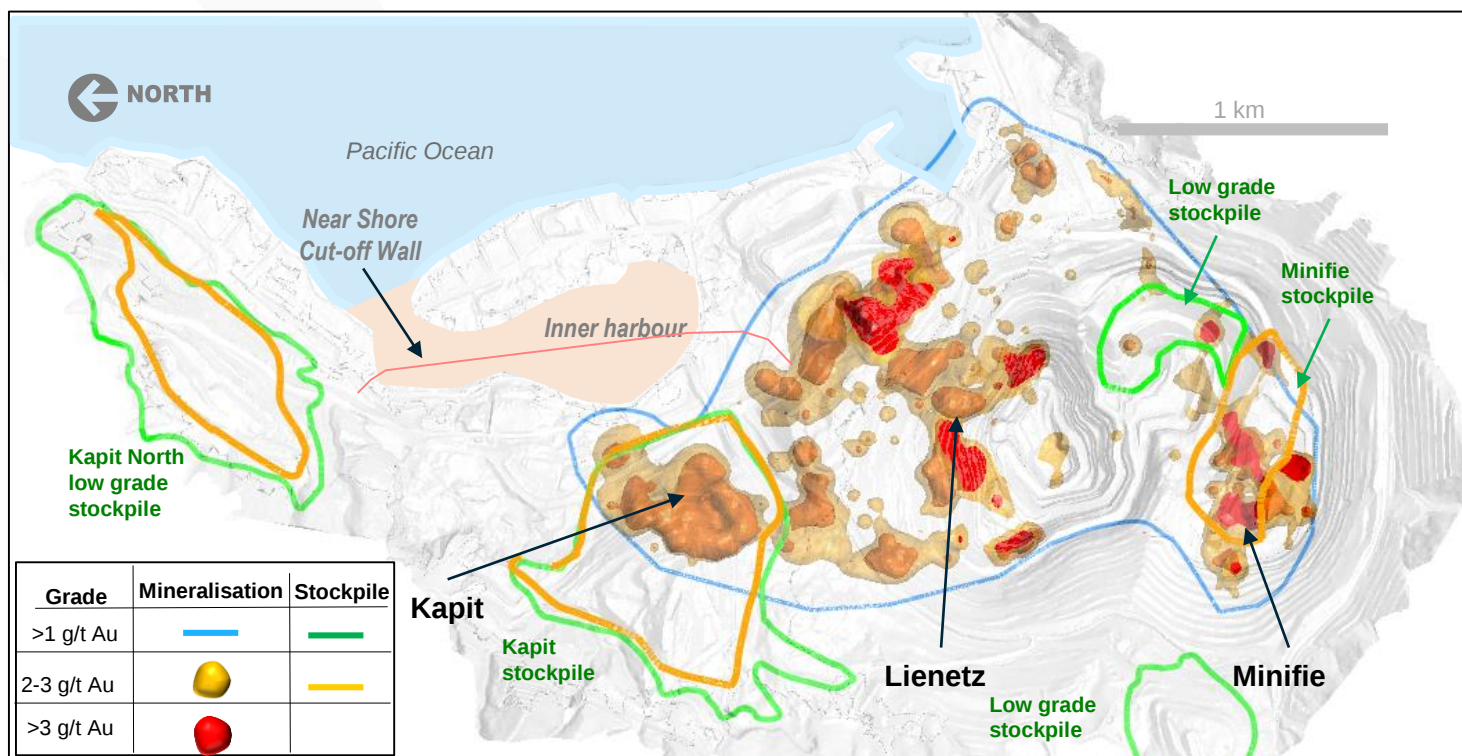
Risk mitigation

## All underpinned by

- Improved engagement with local community
- Improved maintenance to deliver uptime and throughput
- Edge improvement projects focussed on costs and capital efficiency

<sup>1</sup> Refer to slide 2 "Forward Looking Statements". This should not be construed as production guidance from the Company now or in the future. Potential production and throughput rates are subject to a range of contingencies which may affect performance, subject to operating and market conditions and no unforeseen circumstances occurring

# Lihir Pit Optimisation Project - Prefeasibility Study<sup>1</sup>



NOT TO SCALE. This image is illustrative only, and is subject to changes in market conditions and engineering. Refer to slide 2 "Forward Looking Statements"

- Near shore cut off selected – remains subject to Feasibility Study and regulatory requirements

<sup>1</sup> Estimates are from a prefeasibility study and as such are subject to an accuracy range of  $\pm 25\%$

# Seepage barrier options – comparison to prior study

|                                                                              | 2013<br>PFS <sup>1,2</sup> | 2015 Pit PFS<br>Optimisation Study<br>Coffer Dam Wall <sup>1,2</sup> | 2015 PFS Pit<br>Optimisation Study –<br>Near Shore Cut<br>Off <sup>1,2,3</sup> |
|------------------------------------------------------------------------------|----------------------------|----------------------------------------------------------------------|--------------------------------------------------------------------------------|
| Construction (seepage barrier) – includes engineering and project management | ~USD 760m                  | ~USD 625m                                                            | ~USD 81m                                                                       |
| Feasibility study                                                            | ~USD 75m                   | ~USD 23m                                                             | ~USD 22m                                                                       |
| Infrastructure relocation                                                    | ~USD 120m                  | ~USD 62m                                                             | ~USD 85m                                                                       |
| Geothermal decommissioning / recommissioning and temporary power             | ~USD 245m                  | ~USD 26m                                                             | ~USD 27m                                                                       |
| Construction camp and plant upgrades                                         | ~USD 90m                   | 0                                                                    | 0                                                                              |
| <b>Total</b>                                                                 | <b>~USD 1,290m</b>         | <b>~USD 735m</b>                                                     | <b>~USD 215m</b>                                                               |

1 Estimates are from a Prefeasibility Study and as such are subject to an accuracy range of  $\pm 25\%$

2 The figures in the above table do not include sustaining capital, such as mobile fleet replacement, under any scenario.

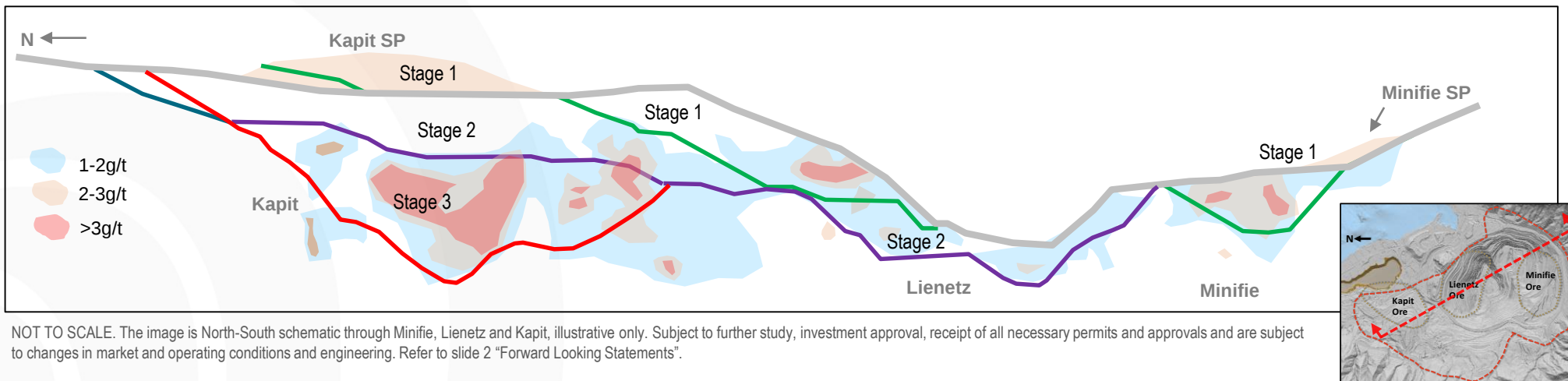
3 Subject to completion of Feasibility Study, investment approval, receipt of all necessary permits and approvals, changes in market and operating conditions and engineering. Refer to slide 2 "Forward Looking Statements"

# Near shore cut-off capital expenditure profile

| Financial Year | Capex            | Key Events                                                                                                                                                                                                                  |
|----------------|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| FY17-22        | ~USD 22m         | <ul style="list-style-type: none"> <li>Geotechnical investigation, analysis and monitoring</li> <li>Compaction testing of the Inner Harbour fill</li> <li>Feasibility and design work on Near Shore Cut-off Wall</li> </ul> |
| FY21-22        | ~USD 38M         | <ul style="list-style-type: none"> <li>Early infrastructure removal</li> <li>Excavation of the Harbour Waste Platform to facilitate Near Shore Cut-off Wall construction</li> </ul>                                         |
|                | ~USD 26M         | <ul style="list-style-type: none"> <li>Geothermal power decommissioning and removal</li> </ul>                                                                                                                              |
| FY23-24        | ~USD 108         | <ul style="list-style-type: none"> <li>Construction of Near Shore Cut-off Wall</li> </ul>                                                                                                                                   |
| FY25           |                  | <ul style="list-style-type: none"> <li>Relocation of infrastructure (roads, power, water)</li> </ul>                                                                                                                        |
| FY28-29        | ~USD 21M         | <ul style="list-style-type: none"> <li>Mine infrastructure relocation to facilitate southern mining area</li> </ul>                                                                                                         |
| <b>Total</b>   | <b>~USD 215m</b> |                                                                                                                                                                                                                             |

1 Estimates are from a Prefeasibility Study and as such are subject to an accuracy range of  $\pm 25\%$   
2 Subject to completion of Feasibility Study, investment approval, receipt of all necessary permits and approvals, changes in market and operating conditions and engineering.  
Refer to slide 2 "Forward Looking Statements"

# Lihir Pit Optimisation PFS based on indicative mine plan<sup>1</sup>



| Timing (Years) | Stage | Sources                                                      | Total Material Moved (Mt) <sup>2</sup> | Waste (Mt) | Tonnes to Stockpiles (Mt) | Ex-pit Tonnes Fed (Mt) | Stockpile Tonnes Fed (Mt) | Plant Feed (Mt) <sup>3</sup> | Average Feed Grade g/t |
|----------------|-------|--------------------------------------------------------------|----------------------------------------|------------|---------------------------|------------------------|---------------------------|------------------------------|------------------------|
| FY17-21        | 1     | Minifie & Lienetz, medium grade stockpiles, and pre-strip    | 320 - 330                              | 160 - 170  | 30 - 35                   | 25 - 30                | 40 - 45                   | 65 - 75                      | ~2.7                   |
| FY22-26        | 2     | Lienetz & Kapit, medium / low grade stockpiles and pre-strip | 360 - 370                              | 150 - 160  | 60 - 65                   | 27 - 32                | 38 - 43                   | 65 - 75                      | ~2.4                   |
| FY27-31        | 3     | Lienetz & Kapit and low grade stockpiles                     | 340 - 350                              | 150 - 160  | 45 - 50                   | 38 - 43                | 27 - 32                   | 65 - 75                      | ~2.8                   |
| FY32+          | 4     | Remaining Reserves <sup>4</sup>                              | Subject to on-going study              |            |                           |                        |                           |                              |                        |

<sup>1</sup> Refer to slide 2 "Forward Looking Statements". Estimates are from a prefeasibility study and as such are subject to an accuracy range of  $\pm 25\%$ . Subject to further study, investment approval, receipt of all necessary permits and approvals and are subject to changes in market and operating conditions and engineering. Refer to slide 2 "Forward Looking Statements". The numbers in the table above are estimates only and are likely to change

<sup>2</sup> Includes sheeting material and crusher rehandle

<sup>3</sup> Plant feed = Ex-pit + Stockpile feed

<sup>4</sup> For the remaining Reserves and Resources please refer to Newcrest Annual Statement of Mineral Resources and Ore Reserves as at December 31 2015

# Lihir – Engaging with the community

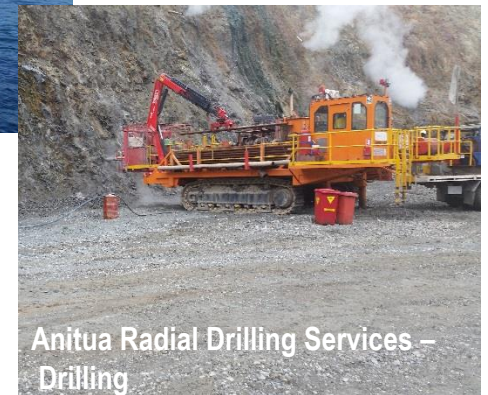


- Improved dialogue – group and one-on-one meetings
- Greater involvement of General Manager
- Tax Credit Scheme projects progressing
  - Lihir Secondary School completed

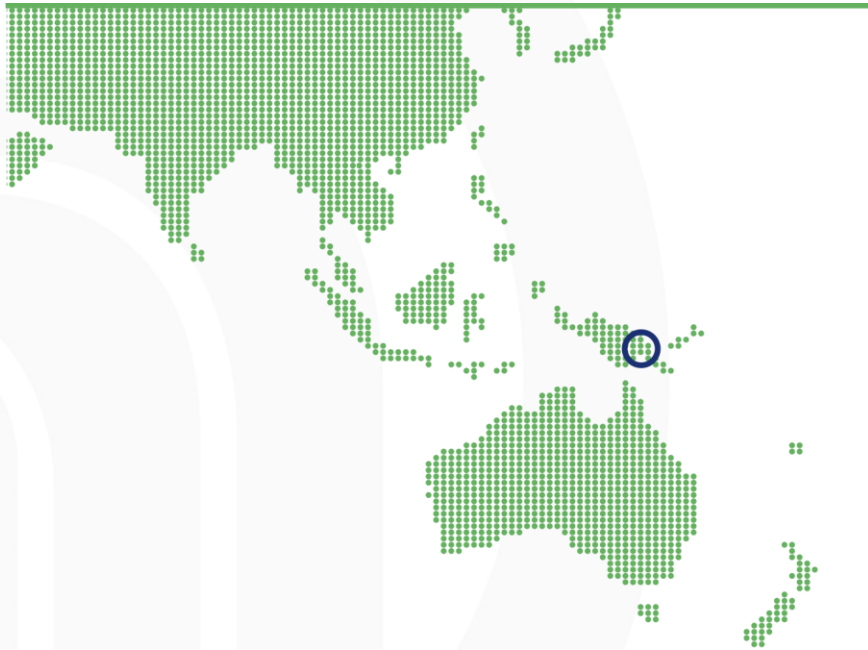


# Lihir – Engaging with local companies

- Newcrest tenders major contracts
- Lihirian companies competed with international parties on safety, quality and price
- Four recent awards to Lihirian-based companies



# Wafi-Golpu – Overview



GOLPU GOLD RESOURCE

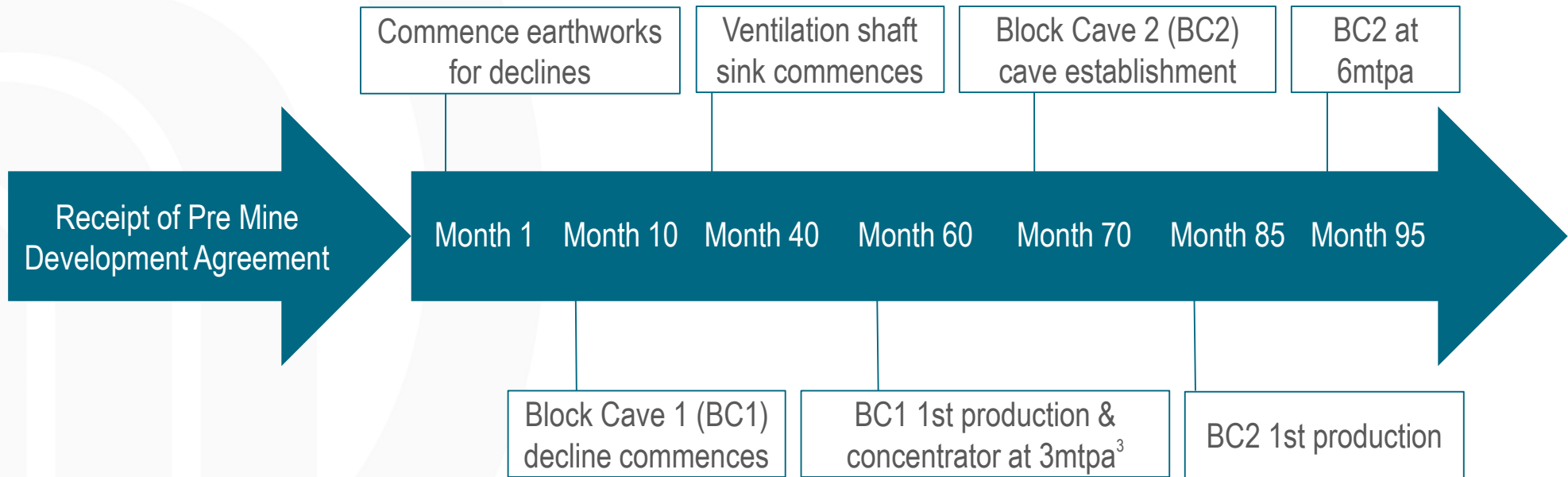
19 million<sup>1</sup>

OUNCES



- Updated Wafi-Golpu prefeasibility study of December 2014 identified improved business case for the project by splitting it into two stages
- Stage One Feasibility and Stage Two Prefeasibility studies have been reviewed by the Boards of Harmony and Newcrest
- Commitment to major earthworks for access declines is dependant upon a Pre Mine Development Agreement with the Papua New Guinean Government and Board approval

# Wafi-Golpu – Stage One indicative timetable<sup>1,2</sup>



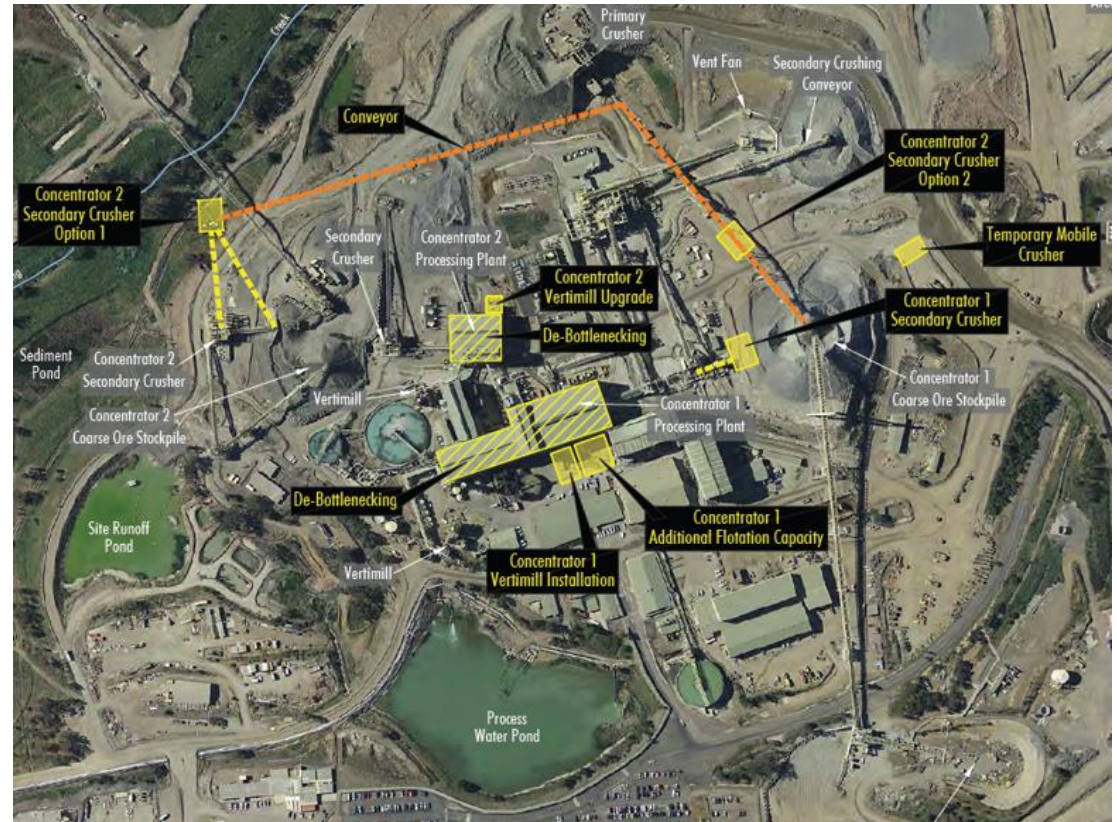
<sup>1</sup> Timeline is indicative based on the Stage One Feasibility Study and therefore subject to an accuracy range of minus  $\pm 15\%$ , based on the information available

<sup>2</sup> Refer to slide 2 "Forward Looking Statements"

<sup>3</sup> Concentrator expected to achieve 3mtpa approximately three months after BC1 first production

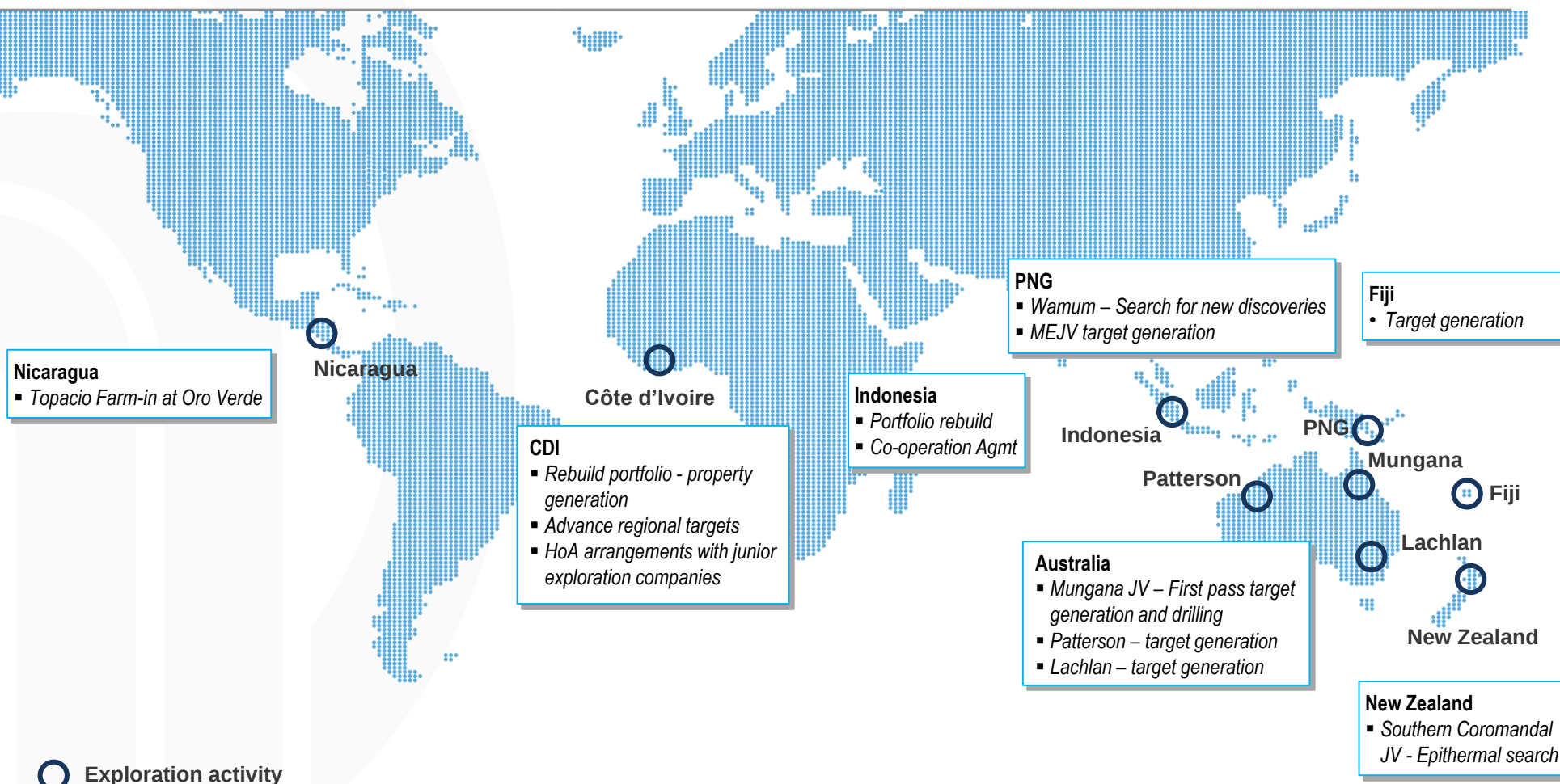
# Cadia – Prefeasibility Study to 32mtpa commenced<sup>1</sup>

- Internal project team established
- PFS targeting completion by end FY16
- Options being explored
  - Increasing high pressure grinding rolls (HPGR) to be fed from either Coarse Ore Stockpile or HPGR Stockpile
  - Additional milling capacity
  - Investigating recovery improvement options (Vertimills)
- Future processing plant expansion potential beyond 32mtpa remains



<sup>1</sup> Refer to slide 2 "Forward Looking Statements"

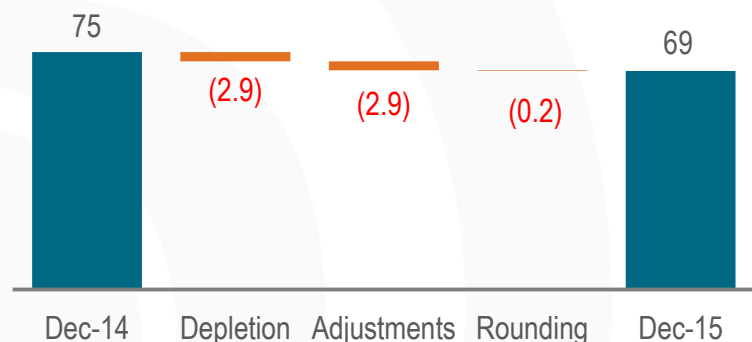
# Exploration and early stage entry<sup>1</sup>



<sup>1</sup> Refer to slide 2 "Forward Looking Statements"

# Ore Reserve update

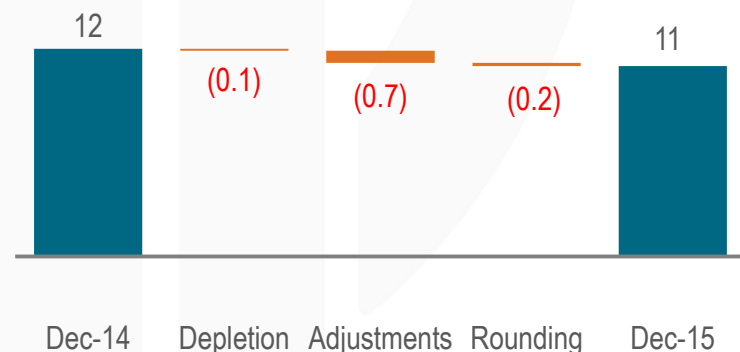
## Newcrest Gold Ore Reserve Changes 31 December 2015 (Moz)



### Key drivers

- Impact of lower gold price assumption – down USD 50/oz to USD 1,200/oz
- Reduction in gold considered economically mineable:
  - Telfer Vertical Stockwork Corridor (0.5 Moz)
  - Bonikro Push-Back 5 (0.4 Moz)
- Hidden Valley pit redesign reduced gold reserves (0.7 Moz)
- Wafi-Golpu - Stage Two Prefeasibility Study reduced gold reserves by 0.7 Moz
- Cadia East - reconciliation of the cave shape achieved to date, reduced reserves by 0.7 Moz

## Newcrest Copper Ore Reserve Changes 31 December 2015 (Mt)



### Key drivers

- Wafi-Golpu – Stage Two Prefeasibility Study reduced copper reserves by 0.3 Mt
- Cadia East - reconciliation of the cave shape achieved to date, reduced reserves by 0.3 Mt

# Summary

---

## Good H1 FY16 results

- All-In Sustaining Cost<sup>1</sup> of USD 770/oz
- Free cash flow<sup>1</sup> of USD 254m
- Net debt reduction of USD 235m

## Near term organic growth

- Lihir Pit Optimisation Study - PFS complete
- Cadia East continued ramp-up

## Longer term growth platform

- Wafi-Golpu a world class growth option – Stage One FS & Stage Two PFS
- Active exploration and early stage entry program





## Questions & Answers



# Appendices

# “Underlying Profit” reconciliation<sup>1</sup>

| 6 months ended                                  | 31 December 2015<br>USDm | 31 December 2014<br>USDm |
|-------------------------------------------------|--------------------------|--------------------------|
| <b>Statutory Profit</b>                         | <b>81</b>                | <b>180</b>               |
| Gain on disposal of investment                  | (18)                     | -                        |
| <b>Total Significant Items</b>                  | <b>(18)</b>              | <b>-</b>                 |
| <b>Underlying profit<sup>2</sup></b>            | <b>63</b>                | <b>180</b>               |
| Non-controlling interest in controlled entities | 8                        | 6                        |
| Income tax expense                              | 42                       | 112                      |
| Net finance costs                               | 75                       | 80                       |
| <b>EBIT<sup>3</sup></b>                         | <b>188</b>               | <b>378</b>               |
| Depreciation and amortisation                   | 357                      | 271                      |
| <b>EBITDA<sup>3</sup></b>                       | <b>545</b>               | <b>649</b>               |

1 Refer to slide 3 “Non-IFRS Financial Information”

2 Underlying profit has been presented to assist in the assessment of the relative performance of the Group

3 EBIT and EBITDA are used to measure segment performance and have been extracted from the segment information disclosed in the ASX Appendix 4D

# All-In Sustaining Cost<sup>1</sup> and All-In Cost<sup>1</sup> to cost of sales reconciliation

|                                                             | 6 months to 31/12/15 |              | 6 months to 31/12/14 |              |
|-------------------------------------------------------------|----------------------|--------------|----------------------|--------------|
|                                                             | USDm                 | USD oz       | USDm                 | USD oz       |
| <b>Gold sales (koz)<sup>2</sup></b>                         | <b>1,199</b>         | <b>-</b>     | <b>1,167</b>         | <b>-</b>     |
| <b>Cost of Sales</b>                                        | <b>1,316</b>         | <b>1,099</b> | <b>1,368</b>         | <b>1,190</b> |
| less Depreciation                                           | (347)                | (290)        | (258)                | (224)        |
| plus By-product revenue                                     | (213)                | (178)        | (357)                | (311)        |
| plus Corporate costs                                        | 27                   | 22           | 27                   | 23           |
| plus Sustaining exploration                                 | 7                    | 6            | 9                    | 8            |
| plus Capitalised stripping and underground mine development | 19                   | 16           | 44                   | 38           |
| plus Sustaining capital expenditure                         | 99                   | 82           | 92                   | 80           |
| plus other <sup>3</sup>                                     | 15                   | 12           | 7                    | 7            |
| <b>All-In Sustaining Costs</b>                              | <b>923</b>           | <b>770</b>   | <b>932</b>           | <b>811</b>   |
| plus non-sustaining capital expenditure                     | 68                   | 56           | 112                  | 98           |
| plus non-sustaining exploration and other                   | 11                   | 10           | 7                    | 7            |
| <b>All-In Cost</b>                                          | <b>1,002</b>         | <b>837</b>   | <b>1,051</b>         | <b>914</b>   |

1 Refer to slide 3 "Non-IFRS Financial Information"

2 For the 6 months ended 31 December 2015 production and sales volumes include 778 gold ounces and 122 tonnes of copper related to the pre-commissioning and development of the Cadia East project. For the 6 months ended 31 December 2014, the comparable volumes were 17,728 gold ounces and 1,731 tonnes of copper. Expenditure associated with this production and revenue from the sales are capitalised and not included in the operating profit calculations

3 Other includes rehabilitation accretion and amortisation and other costs categorised as sustaining

# Financial Year 2016 production guidance<sup>1</sup>

| Operation           | Gold Production      |
|---------------------|----------------------|
| Cadia               | 650 – 700 koz        |
| Lihir               | 770 – 850 koz        |
| Telfer              | 470 – 520 koz        |
| Gosowong            | 300 – 350 koz        |
| Hidden Valley (50%) | 80 – 100 koz         |
| Bonikro             | 110 – 130 koz        |
| <b>Group</b>        | <b>2.4 – 2.6 Moz</b> |

| Operation    | Copper Production    |
|--------------|----------------------|
| Cadia        | ~ 65 kt              |
| Telfer       | ~ 20 kt              |
| <b>Group</b> | <b>80 – 90 kt</b>    |
| Operation    | Silver Production    |
| <b>Group</b> | <b>2.0 – 2.4 Moz</b> |

<sup>1</sup> Refer to slide 2 "Forward Looking Statements". Achievement of guidance is subject to market and operating conditions, and are without taking into account the impact of the Kencana underground incident as it is too early

# Updated USD guidance<sup>1,2</sup>

|                                                                       | Cadia<br>USDm  | Telfer<br>USDm | Lihir<br>USDm  | Gosowong<br>(100%)<br>USDm | Hidden<br>Valley (50%)<br>USDm | Bonikro<br>(100%)<br>USDm | Other<br>USDm | Group<br>USDm      |
|-----------------------------------------------------------------------|----------------|----------------|----------------|----------------------------|--------------------------------|---------------------------|---------------|--------------------|
| <b>All-In Sustaining Cost</b>                                         | <b>165-195</b> | <b>475-500</b> | <b>740-815</b> | <b>235-265</b>             | <b>90-100</b>                  | <b>125-145</b>            | <b>70-80</b>  | <b>1,900-2,050</b> |
| <b>Capital expenditure</b>                                            |                |                |                |                            |                                |                           |               |                    |
| • Production stripping                                                | -              | 30-35          | 30-40          | -                          | -                              | 5-10                      | -             | 65-85              |
| • Sustaining capital                                                  | 45-55          | 65-70          | 60-75          | 55-60                      | ~5                             | 20-25                     | ~10           | 260-300            |
| • Major projects (non-sustaining)                                     | 115-140        | -              | 15-20          | -                          | -                              | -                         | 25-30         | 155-190            |
| <b>Total capital expenditure</b>                                      | <b>160-195</b> | <b>95-105</b>  | <b>105-135</b> | <b>55-60</b>               | <b>~5</b>                      | <b>25-35</b>              | <b>35-40</b>  | <b>480-575</b>     |
| <b>Exploration expenditure</b>                                        |                |                |                |                            |                                |                           |               | <b>40-50</b>       |
| <b>Depreciation and amortisation (including production stripping)</b> |                |                |                |                            |                                |                           |               | <b>675-725</b>     |

1 Refer to slide 2 "Forward Looking Statements" and slide 3 "Non-IFRS Financial Information". Achievement of guidance is subject to market and operating conditions, and are without taking into account the impact of the Kencana underground incident as it is too early

2 Assumes weighted average copper price of USD 2.20 per pound, silver price of USD 14.20 per ounce and AUD/USD exchange rate of 0.72 for the 2016 financial year

# Operating costs – foreign currency exposure estimates

The below represents an indicative currency exposure on operating costs by site for first half FY16

|                      | USD | AUD | PGK | IDR | CFA | Other | Total |
|----------------------|-----|-----|-----|-----|-----|-------|-------|
| <b>Cadia</b>         | 20% | 80% | -   | -   | -   | -     | 100%  |
| <b>Telfer</b>        | 20% | 80% | -   | -   | -   | -     | 100%  |
| <b>Lihir</b>         | 20% | 30% | 45% | -   | -   | 5%    | 100%  |
| <b>Gosowong</b>      | 40% | 10% | -   | 50% | -   | -     | 100%  |
| <b>Hidden Valley</b> | 25% | 20% | 55% | -   | -   | -     | 100%  |
| <b>Bonikro</b>       | 45% | 5%  | -   | -   | 47% | 3%    | 100%  |
| <b>Group</b>         | 20% | 50% | 20% | 5%  | 3%  | 2%    | 100%  |

# FY16 foreign exchange sensitivities<sup>1</sup> and oil hedges

## Foreign Exchange

| Site          | Parameter | Movement    | Full Year EBIT Impact |
|---------------|-----------|-------------|-----------------------|
| Lihir         | USD/PGK   | + PGK 0.10  | USD 12 m              |
| Hidden Valley | USD/PGK   | + PGK 0.10  | USD 2 m               |
| Gosowong      | USD/IDR   | + IDR 1,000 | USD 5 m               |
| Group         | AUD/USD   | - AUD 0.01  | USD 19 m              |

## Oil hedges entered into for FY16 for approximately 50% of exposure

| Site          | Fuel                      | Unit            | Quantity   |
|---------------|---------------------------|-----------------|------------|
| Lihir         | Gasoil                    | '000 bbl        | 131        |
| Hidden Valley | Gasoil                    | '000 bbl        | 57         |
| Cadia         | Gasoil                    | '000 bbl        | 49         |
| Telfer        | Gasoil                    | '000 bbl        | 104        |
| Gosowong      | Gasoil                    | '000 bbl        | 128        |
| <b>Total</b>  | <b>Gasoil<sup>2</sup></b> | <b>'000 bbl</b> | <b>468</b> |
| Lihir         | HSFO <sup>3</sup>         | '000 Mt         | 102        |

<sup>1</sup> Each sensitivity is calculated on a standalone basis. Refer to slide 2 "Forward Looking Statements"

<sup>2</sup> Gasoil hedges at an average cost of USD 76/bbl

<sup>3</sup> Heavy Sulphur Fuel Oil hedges at average cost of USD 356 per Metric Tonnes

# Long-term metal assumptions used for Reserves and Resources estimates<sup>1</sup>

| Long Term Metal Assumptions | Newcrest & MMJV<br>Managed |
|-----------------------------|----------------------------|
|-----------------------------|----------------------------|

## Mineral Resources Estimates

|            |              |
|------------|--------------|
| Gold Price | USD 1,300/oz |
|------------|--------------|

|              |             |
|--------------|-------------|
| Copper Price | USD 3.40/lb |
|--------------|-------------|

|              |              |
|--------------|--------------|
| Silver Price | USD 21.00/oz |
|--------------|--------------|

## Ore Reserves Estimates

|            |              |
|------------|--------------|
| Gold Price | USD 1,200/oz |
|------------|--------------|

|              |             |
|--------------|-------------|
| Copper Price | USD 3.00/lb |
|--------------|-------------|

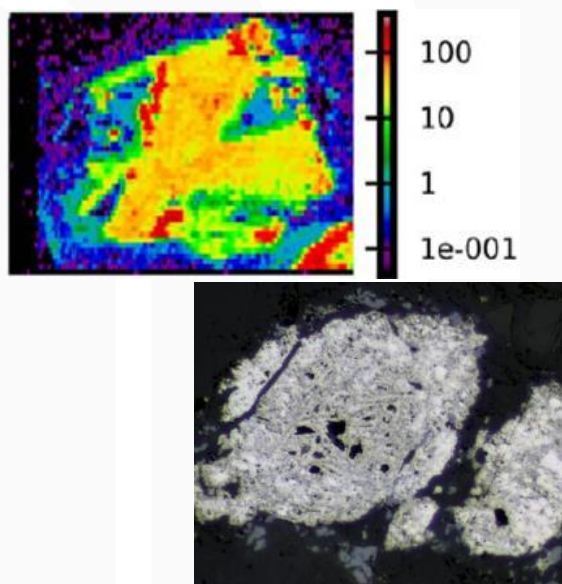
|              |              |
|--------------|--------------|
| Silver Price | USD 18.00/oz |
|--------------|--------------|

|                        |             |
|------------------------|-------------|
| <b>FX Rate USD:AUD</b> | <b>0.80</b> |
|------------------------|-------------|

# Lihir – operating strategy

- Actively manage autoclave throughput based on sulphur content of feed to maximise gold production

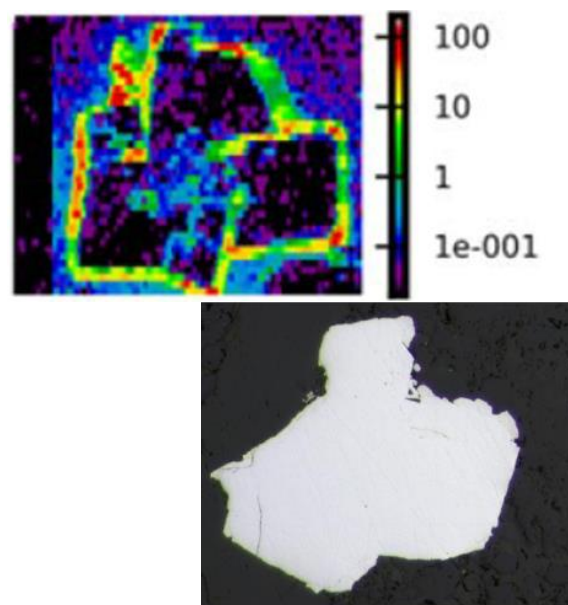
Microcrystalline pyrite<sup>1</sup> – appears more reactive and generally has higher gold content



Behaviour in autoclave:

Particle oxidises more rapidly, liberating gold relatively faster

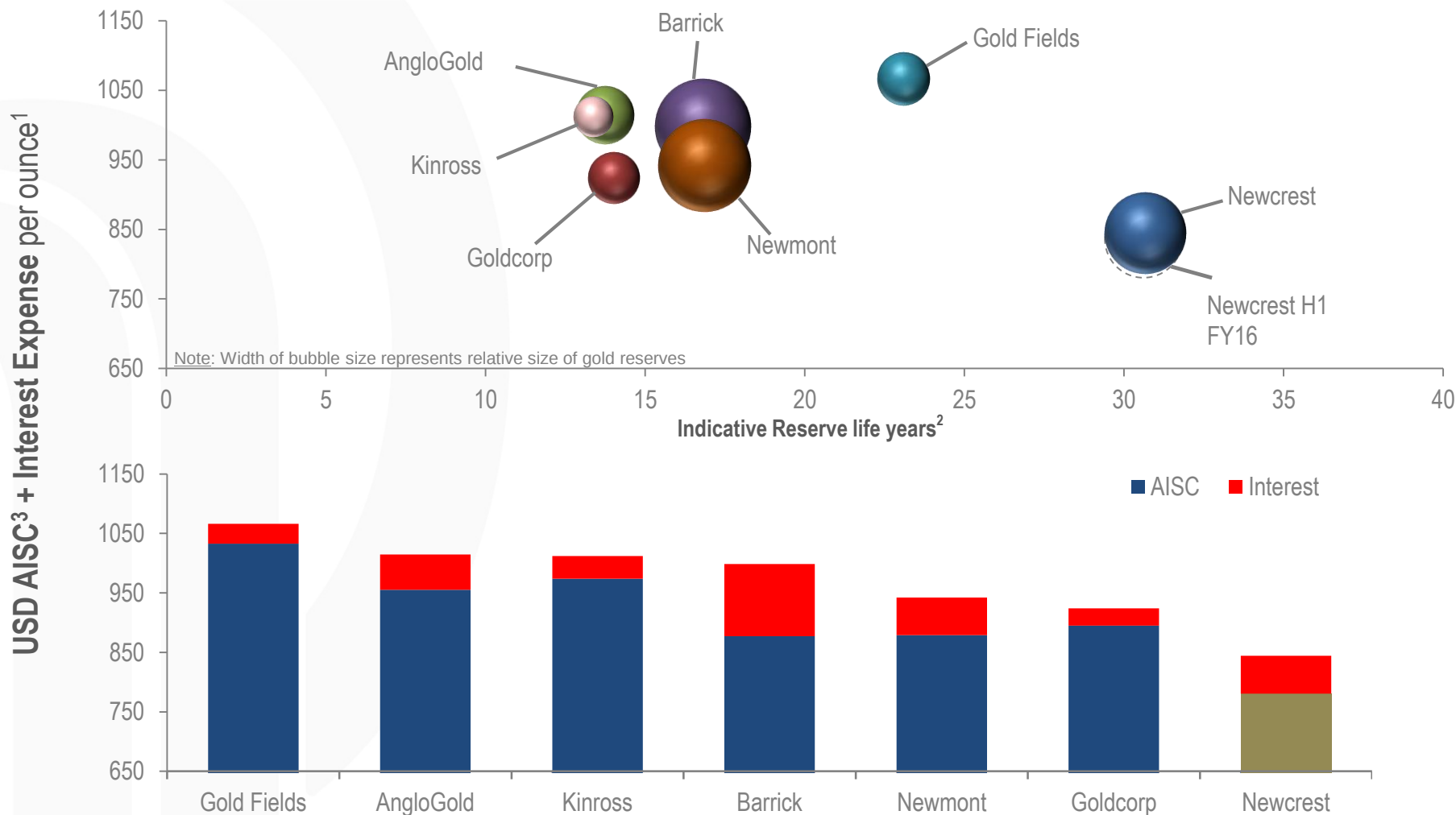
Crystalline (blocky) pyrite<sup>1</sup> – appears less reactive and generally has lower gold content



Behaviour in autoclave:

Gold on rim liberated first, but low grade, pyrite core takes substantially longer to oxidise

# Newcrest maintains leading cost position<sup>1</sup>



<sup>1</sup> The data points represent each company's performance for the 12 months to 30 September 2015. AISC data has been obtained from company statements and is calculated on a per ounce of gold sales basis. Interest expense has been obtained from company statements. Interest expense has been divided by attributable gold sales obtained from company statements

<sup>2</sup> Reserves reflect proven and probable gold reserves (contained metal) as at 31 December 2014 obtained from company statements. Reserve life is indicative and calculated as proven and probable gold reserves (contained metal) divided by gold production for the 12 months ended 30 September 2015. Kinross and Gold Fields' are calculated using gold equivalent production and gold equivalent reserves. All numbers have been sourced from company statements. The reserve life calculation does not take into account gold recovery rates. Proven and probable gold reserve numbers and relevant production numbers have been adjusted to reflect Barrick's divestment of Cowal, Porgera (50%), Spring Valley (70%), Ruby Hill (100%), Bald Mountain (100%); and Round Mountain (50%); Kinross' acquisition of Bald Mountain (100%); and Round Mountain (50%); Newmont's divestment of Waihi and acquisition of Cripple Creek & Victor; AngloGold's divestment of Cripple Creek & Victor; and Goldcorp's acquisition of remaining 30% in El Morro, and subsequent 50/50 merger of El Morro and Teck's Relincho projects

<sup>3</sup> Refer to slide 3 "Non-IFRS Financial Information"

# Forging a stronger Newcrest

## Our mission

To deliver superior returns from finding, developing and operating gold/copper mines.

## Our vision

To be the Miner of Choice.

We will lead the way in safe, responsible, efficient and profitable mining.

## Our Edge

A high performance, no-nonsense culture focused on:

- Safety
- Operational discipline
- Cash
- Profitable growth.

We deliver on our commitments.

## We value...



Caring  
about people



Integrity  
and honesty



Working  
together



Innovation and  
problem solving



High-  
performance

## We achieve superior results through...



Employee  
involvement



Personal  
ownership



Bottom-up  
innovation



Operational  
discipline



Shared  
vision



Inspirational  
leaders



Talent  
development