NEWCREST

FY19 Half Year Results

Sandeep Biswas / Gerard Bond
Managing Director and Chief Executive Officer / Finance Director and Chief Financial Officer
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Newcrest results are reported under International Financial Reporting Standards (IFRS) including EBIT and EBITDA. This presentation also includes non-IFRS 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 therelevant 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. The non-IFRS information has not been subject to audit or review by Newcrest’s external auditor and should be used in addition to IFRS information.

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Overview of HY19

Financials

Summary

Approach to growth

Site Results

Safety
Safety

Continued improvement in TRIFR

<table>
<thead>
<tr>
<th>Year</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>H1 FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>TRIFR</td>
<td>3.7</td>
<td>3.3</td>
<td>2.4</td>
<td>2.3</td>
</tr>
</tbody>
</table>

Safety Transformation
Maintaining relentless focus

Lihir Mine Department Achievement
5 years since the last lost-time injury

Zero Fatalities
~3.5 years fatality free
Overview of HY19

Safety

Site Results

Approach to growth

Financials

Summary
Half Year Highlights

Gold production
1.2moz
AISC $747/oz

Statutory & Underlying Profit
$237m

Free Cash Flow
$176m
Net debt $959m

Interim dividend of US 7.5 cents per share, fully franked
Half year highlights

Safety

Site Results

Approach to growth

Financials

Summary
Increased gold production compared to H1 FY18
Lowest ever AISC/oz for a half year
Record breaking half

**Cadia**

Record gold & copper production for a half year
Record low AISC for a half year

**Gold Production (koz)**
- H1 FY17: 374
- H2 FY18: 246
- H1 FY19: 301
- H2 FY19: 299
- H1 FY19: 453

**AISC ($/oz)**
- H1 FY17: 258
- H2 FY18: 217
- H1 FY18: 135
- H2 FY18: 205
- H1 FY19: 131
Expected to achieve 15mtpa sustainable milling rate target by end of June 2019\(^1\)

Gold Production (koz)  
<table>
<thead>
<tr>
<th>H1</th>
<th>H2</th>
<th>H1</th>
<th>H2</th>
<th>H1</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY17</td>
<td>434</td>
<td>506</td>
<td>413</td>
<td>542</td>
</tr>
<tr>
<td>FY18</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY19</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

AISC ($/oz)  
<table>
<thead>
<tr>
<th>H1</th>
<th>H2</th>
<th>H1</th>
<th>H2</th>
<th>H1</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY17</td>
<td>913</td>
<td>810</td>
<td>1,086</td>
<td>812</td>
</tr>
<tr>
<td>FY18</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY19</td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

\(^1\) Subject to market and operating conditions and no unforeseen circumstances occurring. 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.
Focused on improving performance and costs

Promising preliminary results from installed ore sorting technology

Gold Production (koz) | AISC ($/oz)
--- | ---
FY17 H1: 222, FY17 H2: 164 | FY17 H1: 1,026, FY17 H2: 1,391
FY18 H1: 216, FY18 H2: 209 | FY18 H1: 1,227, FY18 H2: 1,298
FY19 H1: 215 | FY19 H1: 1,347
Lower gold head grades impact production

**Gosowong**

Compared to H1 FY18 lower production from lower head grades

Gold Production (koz)  
AISC ($/oz)

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>123</td>
<td>128</td>
<td>102</td>
</tr>
<tr>
<td>H2</td>
<td>173</td>
<td>124</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>867</td>
<td>825</td>
<td>1,076</td>
</tr>
<tr>
<td>H2</td>
<td>687</td>
<td>949</td>
<td></td>
</tr>
</tbody>
</table>
Lowest cost major gold producer

AISC/oz for the most recently reported six months\(^1\)

<table>
<thead>
<tr>
<th>Company</th>
<th>AISC/oz</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newcrest Mining</td>
<td>747</td>
</tr>
<tr>
<td>Barrick Gold</td>
<td>787</td>
</tr>
<tr>
<td>Agnico Eagle Mines (^2)</td>
<td>884</td>
</tr>
<tr>
<td>Goldcorp</td>
<td>921</td>
</tr>
<tr>
<td>Anglogold Ashanti</td>
<td>966</td>
</tr>
<tr>
<td>Newmont Mining</td>
<td>973</td>
</tr>
<tr>
<td>Gold Fields</td>
<td>975</td>
</tr>
</tbody>
</table>

\(^1\) AISC/oz calculated for the 6 months ending 30 September 2018 using gold sold (or attributable gold produced when gold sold not available) and AISC/oz from company reports, except for Newcrest and Barrick which is for the 6 months ending 31 December 2018. Newcrest’s AISC for the 6 months ending 30 September 2018 is $787/oz. Barrick’s AISC for the 6 months ending 30 September 2018 is $818/oz.

\(^2\) Agnico Eagle Mines report AISC/oz produced
Delivering on financial commitments

On track to achieve guidance
- Production
- Costs
- Capital Expenditure

Low Cost Position
- AISC $747/oz

Financial Metrics
- Well within all four policy metrics

Shareholder returns
- US 7.5 cents per share, fully franked

Generate Free Cash Flow
- FCF $176m
- 10 consecutive halves with positive FCF

Reduce Net Debt
- Net debt reduced by $81m

Generate Free Cash Flow
- FCF $176m
- 10 consecutive halves with positive FCF
Doubled Underlying Profit ($m)

H1 FY18

- Revenue: $13 million
- Operating Costs: $79 million
- Depreciation & Amortisation: $53 million

- Gold price: 116
- Copper price: (81)
- Gold sales volume: 88
- Copper sales volume: 99
- Silver revenue: (2)
- Revenue deductions: (66)
- Operating costs: 27
- FX on operating costs: 52
- Depreciation: 42
- FX on depreciation: 11
- Corporate and other: 22
- Net finance costs: 10
- Income tax expense: (61)
- Non controlling interests: 5

H1 FY19: 237

1 Corporate and other includes Corporate administration expenses, Exploration expenses, Other income/(expense) and Share of profit of associates
$3.5bn of free cash flow since 1 January 2014

Cumulative free cash flow ($m)

<table>
<thead>
<tr>
<th>Period</th>
<th>H2 Free Cash Flow</th>
<th>H1 Free Cash Flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY14 H2</td>
<td>355</td>
<td></td>
</tr>
<tr>
<td>FY15 H1</td>
<td>214</td>
<td></td>
</tr>
<tr>
<td>FY15 H2</td>
<td>639</td>
<td></td>
</tr>
<tr>
<td>FY16 H1</td>
<td>254</td>
<td></td>
</tr>
<tr>
<td>FY16 H2</td>
<td>560</td>
<td></td>
</tr>
<tr>
<td>FY17 H1</td>
<td>258</td>
<td></td>
</tr>
<tr>
<td>FY17 H2</td>
<td>481</td>
<td></td>
</tr>
<tr>
<td>FY18 H1</td>
<td>134</td>
<td></td>
</tr>
<tr>
<td>FY18 H2</td>
<td>467</td>
<td></td>
</tr>
<tr>
<td>FY19 H1</td>
<td>176</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$3.5 Billion</td>
<td></td>
</tr>
</tbody>
</table>
Comfortably within all four financial policy targets

### Leverage Ratio (Net Debt / EBITDA)

<table>
<thead>
<tr>
<th>Date</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 Jun 2017</td>
<td>1.1x</td>
</tr>
<tr>
<td>31 Dec 2017</td>
<td>1.2x</td>
</tr>
<tr>
<td>30 Jun 2018</td>
<td>0.7x</td>
</tr>
<tr>
<td>31 Dec 2018</td>
<td>0.6x</td>
</tr>
</tbody>
</table>

Target less than 2.0x (for trailing 12 months)

### Gearing Ratio

<table>
<thead>
<tr>
<th>Date</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 Jun 2017</td>
<td>16.6%</td>
</tr>
<tr>
<td>31 Dec 2017</td>
<td>15.9%</td>
</tr>
<tr>
<td>30 Jun 2018</td>
<td>12.2%</td>
</tr>
<tr>
<td>31 Dec 2018</td>
<td>11.5%</td>
</tr>
</tbody>
</table>

Target less than 25%

### Coverage ($b)

<table>
<thead>
<tr>
<th>Date</th>
<th>Coverage</th>
<th>Cash</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 Jun 2017</td>
<td>2.53</td>
<td>$53m</td>
</tr>
<tr>
<td>31 Dec 2017</td>
<td>2.60</td>
<td>$203m</td>
</tr>
<tr>
<td>30 Jun 2018</td>
<td>2.97</td>
<td>$492m</td>
</tr>
<tr>
<td>31 Dec 2018</td>
<td>3.06</td>
<td>$556m</td>
</tr>
</tbody>
</table>

Target minimum $1.5b, ~1/3 as cash

Credit rating upgraded by S&P & Moody’s BBB / Baa2
Our approach to growth

1. Organic growth

2. Greenfield exploration

3. Early entry partnerships with explorers

4. M&A, when we see the opportunity to create value through application of our strong & unique technical capabilities
Organic growth opportunities

**Cadia Expansion**
PFS findings suggested a plant expansion to 33mtpa for capex of ~$58m\(^1\)
Feasibility study expected to be completed in H1 FY20

**Lihir**
Expecting a sustainable milling rate of 15mtpa by end of June 2019\(^2\)

**Wafi-Golpu**
Memorandum of Understanding (MOU) signed with PNG government
Intention of the parties is to complete the permitting process & achieve grant of a Special Mining Lease (SML) by 30 June 2019

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\(^1\) Subject to all necessary permits, regulatory requirements and Board approval. Estimates were prepared to a Prefeasibility Study level with the objective of being subject to an accuracy range of ±25%. The estimates are indicative only and should not be construed as guidance. Potential production and throughput rates are subject to a range of contingencies which may affect performance.

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Greenfield exploration – Undercover search space

Source: Minex Consulting - [https://www.minexconsulting.com/](https://www.minexconsulting.com/)
Active early entry arrangements

**Ecuador**
- SolGold (EI)
- Lundin Gold (EI)
- Lundin Gold JV
- Porphyry targets (100%)

**Australia**
- Second Junction Reefs project (JV)
- Encounter Alliance & JV’s
- Prodigy Gold NL – FI
- Isa North 100%
- Cloncurry (O & FI)
- Bulimba 100%

**PNG**
- Wamum project (100%)
- Tatau / Big Tabar Island (O & FI)

**Indonesia**
- Antam Alliance

**Cote d’Ivoire**
- Barrick JV (50% JV)

**Argentina**
- Cerro Lindo epithermal/porphyry project (O & FI)

**Chile**
- Altazor – (O & FI)
- Vicuna – (O & FI)
- Miocene – (O & FI)
- Gorbea – (O & FI)

**Mexico**
- Azucar Minerals (EI)

**North America**
- Jarbridge (O)
- Rattlesnake Hills (O & FI)

**PNG**
- Wamum project (100%)
- Tatau / Big Tabar Island (O & FI)

**Key:**
- FI = Farm-in
- JV = Joint Venture
- 100% = 100% Newcrest tenement
- EI = Equity investment in company
- O = Option
- HOA = Heads of Agreement
Unique suite of capabilities in the gold industry

- **Lihir, Telfer**
  - Open pit
  - Selective Underground
  - Bulk Underground
  - Processing
    - Large scale comminution
    - Copper-gold flotation

- **Telfer**
  - Reef
  - Sublevel Caving

- **Gosowong**
  - Narrow Vein
  - Block Caving

- **Telfer**
  - Pressure oxidation
  - Cyanide & carbon in leach

- **Cadia**
Half year highlights

Financials

Summary

Approach to growth

Site Results

Safety
What makes Newcrest different

- Long reserve life
- Low cost production
- Do what we say
- Organic growth options (at Cadia, Lihir and Wafi Golpu)
- Strong exploration & technical capabilities
- Financially robust
Miner of choice™
Careers at Newcrest

Find out more:
www.newcrest.com.au

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