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**To:** Company Announcements Office  
**From:** Francesca Lee  
**Date:** 15 February 2016  
**Subject:** Half Year Financial Results Market Release

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Please find attached a Market Release in relation to Newcrest Mining Limited's Financial Results for the Half Year ended 31 December 2015, for immediate release to the market.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Francesca Lee'.

Francesca Lee  
Company Secretary



# Half Year Results

## Newcrest Mining

15 February 2016



## Half Year Financial Results & Update

Newcrest has reported a half year Statutory profit<sup>1</sup> of USD 81 million and an Underlying profit<sup>2</sup> of USD 63 million, underpinned by production of 1.204 million ounces of gold.

As reported on 17 December 2015, Newcrest has changed its reporting currency to US dollars effective in the 2016 financial year. All financial information in this report is presented in USD unless otherwise stated.

### Key Points for December 2015 Half Year<sup>3,4</sup>

- Group All-In Sustaining Cost<sup>2</sup> reduced by 5% to USD 770 per ounce
- Gold production<sup>5</sup> of 1.204 million ounces (up 6%); copper production of 38,918 tonnes (down 23%)
- Free cash flow<sup>2</sup> of USD 254 million (up 19%)
- Net debt of USD 2.65 billion, reduced by USD 235 million (or 8%) from 30 June 2015
- Net debt to EBITDA<sup>2</sup> improved to 2.1 times
- Lihir Pit Optimisation Prefeasibility Study progresses to Feasibility Study – future capital significantly reduced
- Wafi-Golpu Stage One Feasibility Study and Stage Two Prefeasibility Study – updates reviewed

Newcrest's Managing Director and Chief Executive Officer, Sandeep Biswas, said, "Significant progress has been made to rescue Pak Mursalim Sahman, who is trapped in the Kencana Underground Mine. I am not able to give a definitive timeframe at this stage but rescue work is taking place around the clock, drawing on support from many people across Newcrest and beyond."

As part of Newcrest's ongoing drive to improve employee safety across the business, the Company has completed an intensive review of all aspects of safety with the assistance of world-leading independent safety advisors. A safety transformation plan has been developed to focus on three key areas: 'safety culture' which will be addressed through the existing NewSafe program, 'critical control management' of high-risk tasks which will be modelled on industry leading practices, and robust 'process safety' management which will apply learnings from the chemical and petroleum industries.

"Newcrest has delivered a strong financial result in a lower gold and copper price environment. We continue to further strengthen the balance sheet by safely maximising cash flow from operations, maintaining strong capital discipline and repaying debt," said Mr Biswas.

Newcrest's improving financial position provides a platform for future growth. Today Newcrest released updates on studies which highlight the value in its assets, being the Lihir Pit Optimisation Prefeasibility Study and Wafi-Golpu Stage One Feasibility Study and Stage Two Prefeasibility Study. "Lihir and Cadia continue to provide near term growth, Wafi-Golpu is an attractive project for the medium term, and our global exploration program and participation in early stage projects are designed to support our longer term growth," said Mr Biswas.

Summarised Financial and Operating Results <sup>3</sup>			For the 6 months ended 31 December			
Highlights	Endnote		2015	2014	Change	Change%
Revenue		USDm	1,546	1,781	(235)	(13%)
Statutory profit/(loss)	1	USDm	81	180	(99)	(55%)
Underlying profit	2	USDm	63	180	(117)	(65%)
EBITDA	2	USDm	545	649	(104)	(16%)
Cash flow from operating activities		USDm	367	481	(114)	(24%)
Free cash flow	2	USDm	254	214	40	19%
Total equity *		USDm	6,807	6,957	(150)	(2%)
Net debt *		USDm	2,654	2,889	(235)	(8%)
Gearing *		%	28.1	29.3	(1.2)	(4%)
EBITDA Margin	2	%	35.3	36.4	(1.1)	(3%)
EBIT Margin	2	%	12.1	21.2	(9.1)	(43%)
Net debt to EBITDA	2	times	2.1	2.6	(0.5)	(19%)
Group production - gold	5	oz	1,204,436	1,138,841	65,595	6%
- copper	5	t	38,918	50,339	(11,421)	(23%)
- silver	5	oz	1,002,424	1,142,668	(140,244)	(12%)
All-In Sustaining Cost	2	USD/oz sold	770	811	(41)	(5%)
Realised gold price		USD/oz	1,113	1,238	(125)	(10%)
Realised copper price		USD/lb	2.29	3.08	(0.79)	(26%)
Realised silver price		USD/oz	15.72	17.37	(1.65)	(10%)
Average exchange rate		AUD:USD	0.7234	0.8927	(0.1693)	(19%)
Average exchange rate		PGK:USD	0.3493	0.4010	(0.0517)	(13%)
Closing exchange rate		AUD:USD	0.7306	0.8202	(0.0896)	(11%)

\* Total equity, Net debt and Gearing for the comparative period represent values as at 30 June 2015.

Please refer to the Company's "ASX Appendix 4D Half Year Financial Report" released on 15 February 2016, and the Management Discussion and Analysis in particular, for more detail on the Company's financial results.

## Safety

As part of Newcrest's ongoing drive to improve employee safety across the business, Newcrest conducted a review with support from external specialists. The review helped focus the improvement effort on the following key programs:

- NewSafe – which aims to build a stronger safety culture. It is focussed on safety leadership, and on helping the workforce identify the most important safety behaviours in their area, and formulate their own plan to enable and motivate these behaviours
- Critical control management – modelled on best practice in the industry, Newcrest is looking to ensure that managers, supervisors, and front line operators know what the critical controls are for every high-risk task, and that the critical controls are established, in place and working before that task commences
- Process safety – based on learnings from the chemical and petroleum industries, Newcrest's approach is to have a systematic and comprehensive framework for managing the integrity and containment of high energy and toxic processes

Newcrest believes that focussing on these three areas will help it progress towards its vision for a workplace free of fatalities and life-changing injuries.

## Update on Kencana Underground Incident

Early on Sunday morning, 14 February 2016, rescuers broke through into the chamber where Pak Mursalim is located after completing the boring of a 70 centimetre diameter hole approximately 38 metres deep. This is a significant milestone in developing the primary rescue option. Before attempting final extraction, the bore hole will need to be lined so that Pak Mursalim can be safely brought up. It is expected that lining the hole will take several days.

A second extraction option, which is a new lateral development drive from the main decline to Pak Mursalim's location, is also being progressed.

Work continues on geotechnical monitoring to track ground conditions and assess the risks of every aspect of the rescue effort.

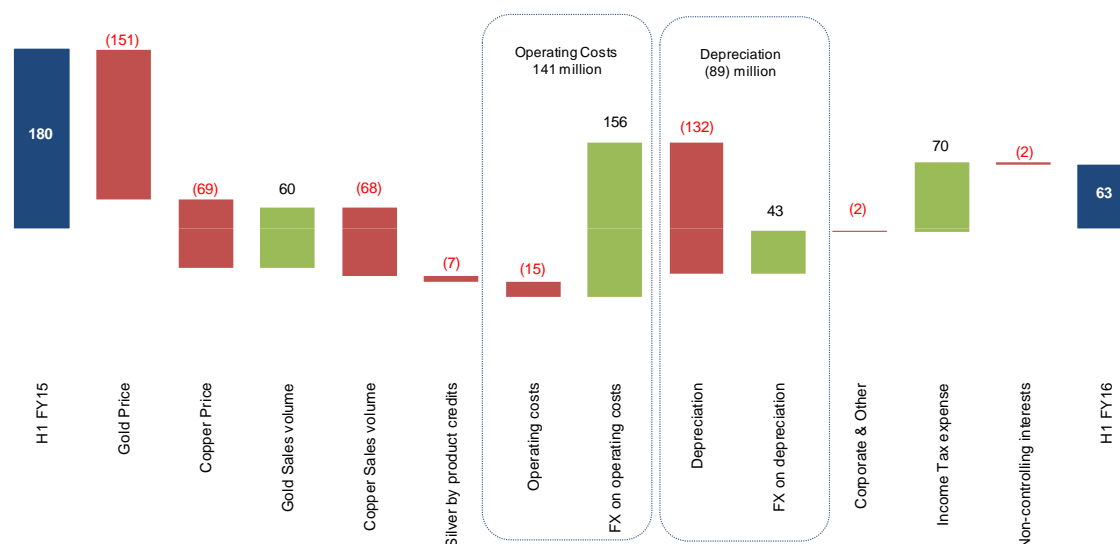
Pak Mursalim's health remains good and he has been speaking with his family using a newly installed telephone line.

## Half Year Financial Results

Statutory profit was USD 81 million and Underlying profit was USD 63 million in the current period, with the difference being that Statutory profit includes USD 18 million of profit on Newcrest's disposal of its remaining shareholding in Evolution Mining Limited.

Underlying profit and loss	For the 6 months ended 31 December				
	USDm	2015	2014	Change	Change%
Gold revenue		1,333	1,424	(91)	(6%)
Copper revenue		199	336	(137)	(41%)
Silver revenue		14	21	(7)	(33%)
<b>Total Revenue</b>		<b>1,546</b>	<b>1,781</b>	<b>(235)</b>	<b>(13%)</b>
Operating costs		(969)	(1,110)	141	13%
Depreciation		(347)	(258)	(89)	(35%)
<b>Total cost of sales</b>		<b>(1,316)</b>	<b>(1,368)</b>	<b>52</b>	<b>4%</b>
Corporate administration costs		(37)	(40)	3	8%
Exploration		(14)	(9)	(5)	(56%)
Other income/(expense)		9	9	-	-
Net finance costs		(75)	(80)	5	6%
Share of profit of associates		-	5	(5)	(100%)
Income tax expense		(42)	(112)	70	63%
Non-controlling interests		(8)	(6)	(2)	(33%)
<b>Underlying profit</b>		<b>63</b>	<b>180</b>	<b>(117)</b>	<b>(65%)</b>

### Underlying Profit movement USD million



Underlying profit was USD 117 million lower than the corresponding prior period, being adversely impacted primarily by lower realised US dollar gold and copper prices and lower copper sales volumes. An extended production outage at Cadia following the failure of the main SAG mill motor also adversely impacted production and resulting profitability. These adverse impacts were partially offset by the positive impact on costs from the weaker Australian Dollar, Papua New Guinea Kina, Indonesian Rupiah and Central African Franc against the US Dollar, lower energy prices and improved profitability at Lihir and Bonikro.

Gold revenue of USD 1,333 million was 6% lower than the corresponding prior period largely due to a 10% reduction in the average realised gold price (USD 1,113 per ounce in the current period compared to USD 1,238 per ounce).

The gold price impact was partly offset by a 3% increase in gold sales volumes, primarily due to higher ore feed grades and higher milling rates at Lihir and Bonikro, as well as continued ramp up at Cadia East offsetting the impact of declining ore grade at Ridgeway and processing plant issues at Cadia (including the SAG mill outage in the current period). Production and associated sales volumes in the current period were also adversely impacted by fatality related suspensions at Cadia and Hidden Valley and lower ore volume and feed grades at Telfer in the current period.

Copper revenue of USD 199 million was 41% lower than the corresponding prior period, due to 26% reduction in the average realised copper price (USD 2.29 per pound in the current period compared to USD 3.08 per pound) and a 23% decrease in copper sales volumes to 39,494 tonnes (post capitalisation). Drivers of the lower gold sales volumes at Cadia and Telfer also resulted in the lower copper sales volumes.

Silver revenue of USD 14 million was 33% lower than the corresponding prior period, with 10% lower average realised prices and 24% lower sales volumes.

Operating costs of USD 969 million were USD 141 million or 13% lower than the corresponding prior period. The decrease in operating costs includes a foreign exchange benefit of approximately USD 156 million as a result of the weakening of the Company's main operating currencies against the US Dollar.

Higher site production costs related to increased mine and processing activity and associated maintenance at Lihir, restructuring costs relating to the transition to contractor mining at the Telfer open pit and higher unit costs of mining the Hiré pits at Bonikro, which were partly offset by lower energy prices and continuing cost reductions from the Edge program in the form of lower input prices and increased efficiencies.

The increase in depreciation expense compared with the corresponding prior period primarily reflects the higher depreciable asset base of Telfer following the partial reversal of the Telfer asset impairment at 30 June 2015, higher levels of depreciation at Ridgeway as it approaches being placed on care and maintenance in the March 2016 quarter and increased volume at Lihir and Bonikro. The weaker Australian Dollar against the US Dollar partially offset the increase in depreciation at Telfer and Ridgeway, where it is an Australian Dollar denominated expense.

## Half Year Financial Results (cont'd)

Income tax expense was USD 70 million lower in the current period primarily due to the lower level of profit. The corresponding prior period also had an elevated tax expense, relating to a review of research and development allowances claimed in prior periods.

Free cash flow for the current period of USD 254 million was USD 40 million higher than the corresponding prior period. The increase includes USD 88 million in proceeds from the sale of Newcrest's interests in Evolution Mining Limited and reflects lower levels of capital expenditure on major projects, partially offset by lower cash flows from operating activities primarily due to lower average realised metal prices.

Cash flow USDm	For the 6 months ended 31 December			
	2015	2014	Change	Change %
Receipts from customers	1,529	1,678	(149)	(9%)
Payments to suppliers and employees	(1,042)	(1,122)	80	7%
Net interest paid	(67)	(72)	5	7%
Income taxes paid	(54)	(5)	(49)	(980%)
Dividends received	1	2	(1)	(50%)
<b>Net cash inflow from operating activities (a)</b>	<b>367</b>	<b>481</b>	<b>(114)</b>	<b>(24%)</b>
Production stripping	(14)	(42)	28	67%
Sustaining capital	(99)	(92)	(7)	(8%)
Major projects (non-sustaining) capital	(68)	(112)	44	39%
<b>Sub-total capital expenditure</b>	<b>(181)</b>	<b>(246)</b>	<b>65</b>	<b>26%</b>
Exploration and evaluation expenditure	(20)	(17)	(3)	(18%)
Interest capitalised to development projects	-	(4)	4	100%
Proceeds from sale of investments	88	-	88	
<b>Total cash outflow from investing activities (b)</b>	<b>(113)</b>	<b>(267)</b>	<b>154</b>	<b>58%</b>
<b>Free Cash Flow = (a) + (b)</b>	<b>254</b>	<b>214</b>	<b>40</b>	<b>19%</b>
Net repayment of borrowings	(330)	(220)	(110)	(50%)
Other financing activities	(17)	(22)	5	23%
<b>Cash flow related to financing activities</b>	<b>(347)</b>	<b>(242)</b>	<b>(105)</b>	<b>(43%)</b>
<b>Net movement in cash</b>	<b>(93)</b>	<b>(28)</b>	<b>(65)</b>	<b>(232%)</b>
<b>Cash at the beginning of the period</b>	<b>198</b>	<b>133</b>	<b>65</b>	<b>49%</b>
<b>Cash at the end of the period</b>	<b>105</b>	<b>105</b>	<b>-</b>	<b>-</b>

## Dividend

The Newcrest Board has determined that having regard to the Company's target financial metrics there will be no dividend for the 6 months ended 31 December 2015. The Board looks forward to resuming dividend payments when it is prudent to do so.

## Summary of Half Year Financial Results by Asset

		For the 6 months ended 31 December 2015 <sup>6</sup>							
		Cadia <sup>5</sup>	Telfer	Lihir	Goso-wong (100%)	Hidden Valley (50%)	Bonikro (100%)	Other	Group
Gold sales	koz	285	240	408	164	27	75	-	1,199
Copper sales	kt	30	10	-	-	-	-	-	40
Silver sales	koz	198	99	10	234	368	10	-	918
Revenue	USDm	466	319	454	187	37	83	-	1,546
EBITDA	USDm	265	77	128	94	(16)	29	(32)	545
EBIT	USDm	153	6	38	44	(21)	10	(42)	188
Net assets	USDm	2,749	613	4,889	318	(6)	173	(1,929)	6,807
Free cash flow	USDm	127	37	87	11	(16)	21	(13)	254
Capital expenditure	USDm	72	27	37	22	3	6	14	181
AISC	USDm	70	229	363	121	50	59	31	923
	USD/oz	246	955	890	737	1,853	797	25	770
AISC Margin	USD/oz	867	158	223	376	(740)	316		343

Please refer to the Company's "ASX Appendix 4D Half Year Financial Report" released on 15 February 2016, and the Management Discussion and Analysis in particular, for more detail on the Company's financial results.

### Lihir

The Lihir Pit Optimisation Prefeasibility Study has been approved by the Board to progress to Feasibility Study stage. Key outcomes of the study affirmed the potential benefits of lateral mine development of the open pit and endorsed the progression to feasibility study with respect to a near shore cut-off wall in place of a cofferdam, reducing expected future capital expenditure on the seepage barrier from USD 1.3bn to USD 215m<sup>7</sup>.

Please refer to the Company's Market Release of 15 February 2016 entitled "Lihir Pit Optimisation Project to progress to Feasibility Study stage" for more detail.

Newcrest surpassed its target of a 12mtpa grinding throughput rate by the end of December 2015. The focus for the 2016 calendar year will be to safely sustain and improve on this and a new target has been set for a sustainable 13mtpa grinding throughput rate by the end of December 2016<sup>8</sup>. New operating processes, such as altering grinding sizes and leaching of float tail, will be trialled over the coming months to improve grinding throughput whilst also looking to improve recoveries.

Papua New Guinea remains in drought and work continues on water saving initiatives at Lihir to minimise the production impact. Production throughput and recoveries have the potential to be adversely impacted by the drought, depending on the level and duration of rainfall.

### Cadia

Production for the half year was adversely impacted by the Concentrator 1 SAG mill being offline for five weeks for a repair to the motor. A conveyor to bypass the mill, transporting ore from the high pressure grinding rolls to the ball mill circuit, has now been installed and will be used during future maintenance of the SAG mill. Excess stockpiles generated as a result of the SAG mill outage are expected to be largely processed by the end of the current financial year.

A concept study has identified possible pathways to effect the increase in Cadia's processing throughput from 26mtpa to 32mtpa, in line with the recently granted permit increase. Options being explored include increasing high pressure grinding rollers (HPGR) to be fed from either coarse ore stockpile or HPGR stockpile and additional milling capacity. A prefeasibility study is due to be completed by the end of June 2016.

The Ridgeway block cave mine is scheduled to cease mining and to be placed on care and maintenance on 3 March 2016.

## Other Operating Assets

At Telfer, lower gold and copper production was primarily the result of decreased ore mined in both the open pit and underground operations. This resulted in an increase in processing of lower grade stockpile material, lowering the overall gold head grade to the mill.

During the current period the Bonikro open pit was placed on care and maintenance, with production from the Hiré deposit now the primary ore source, and its higher grade contributed to higher production from the Bonikro mill.

Gosowong's higher gold production, compared to the corresponding prior period, was primarily the result of higher gold grade from Toguraci ore. The decrease in All-In Sustaining Cost per ounce sold was mainly due to lower site costs driven by lower fuel prices and exchange rate benefits, partially offset by a higher rehabilitation charge. Work has commenced on expanding the tailings dam to ensure it can safely accommodate projected future production.

As announced in the December 2015 quarterly report, the Hidden Valley joint venture partners have agreed to suspend all pre-strip activities unless metal prices significantly improve. Going forward the site will focus on safely operating at a free cash flow neutral or better position. The joint venture partners are concurrently assessing all strategic options in relation to the future of the asset.

## Wafi-Golpu

The Wafi-Golpu Stage One Feasibility Study and Stage Two Prefeasibility Study have both been reviewed by the Board of Newcrest. There are certain key elements of the Feasibility Study that remain subject to further work to be at full feasibility study level<sup>9</sup> (namely geotechnical, hydrology, tailings, port and power). Ultimately, confirmation of the geotechnical and hydrology aspects will require further drilling from an exploration platform accessed via a decline.

Key outcomes of the Feasibility Study<sup>10</sup>:

- The Golpu porphyry is a world-class copper-gold resource due to its large scale, high grade, long-life with low operating cost and embedded upside options
- Financial metrics of Stage One<sup>11</sup>:
  - NPV of USD ~1.1bn (real)
  - IRR of ~15% (real)
  - Payback of ~10 years from commencement of earthworks for access declines

The next key step in the project is to sign a Pre Mine Development Agreement (PMDA) with the PNG Government. Once signed, approval will be sought from the Boards of both Wafi-Golpu joint venturers to proceed with the advanced exploration work and earthworks. The final investment decision for full project capital to proceed with the development will be made only after all necessary permits, approvals and consents have been obtained from the Government, landowners and any other relevant stakeholders.

Please refer the Company's Market Release of 15 February 2016 entitled "Wafi-Golpu – Update on Stage One Feasibility and Stage Two Prefeasibility Studies" for more detail.

## Exploration

During the December 2015 half Newcrest entered into a number of early stage low cost entry arrangements with respect to prospective ground in key target geographies, and progressed exploration in existing greenfield and brownfield projects. See the Company's September 2015 Quarterly Report and December 2015 Quarterly Report for more detail.



## Guidance<sup>12,13</sup>

Production guidance for the 2016 financial year remains unchanged. Subject to market and operating conditions, production from Lihir and Bonikro is expected to be around the upper end of their ranges, while production from Telfer and Hidden Valley is expected to be around the bottom end of their ranges.

Cost, capital and depreciation guidance for the 2016 financial year remains substantially unchanged. The table below reflects guidance on these elements for FY16 having regard to:

- conversion to USD reporting
- actual performance to date
- updated commodity price and exchange rate assumptions for the remainder of the financial year
- expected performance for the second half of the financial year

Depreciation guidance includes the impact of changes to Ore Reserves as at 31 December 2015.

Subject to market and operating conditions and without taking into account the impact of the Kencana underground incident as it is too early, Newcrest's 2016 financial year guidance is as follows:

Production guidance FY16 <sup>6</sup>			For the 12 months ended 30 June 2016
Cadia	- gold	Koz	650 – 700
	- copper	Kt	~65
Telfer	- gold	Koz	470 – 520
	- copper	Kt	~20
Lihir	- gold	Koz	770 - 850
Gosowong	- gold	Koz	300 – 350
Hidden Valley (50%)	- gold	Koz	80 – 100
Bonikro	- gold	Koz	110 – 130
<b>Group production</b>	<b>- gold</b>	<b>Moz</b>	<b>2.4 – 2.6</b>
	<b>- copper</b>	<b>Kt</b>	<b>~80 – 90</b>
	<b>- silver</b>	<b>moz</b>	<b>2.0 – 2.4</b>

Cost and Capital Guidance FY16								
USDM	Cadia	Telfer	Lihir	Goso-wong (100%)	Hidden Valley (50%)	Bonikro (100%)	Other	Group
All-In Sustaining Cost	165-195	475-500	740-815	235-265	90-100	125-145	70-80	1,900-2,050
<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>
Exploration expenditure								40-50
Depreciation and amortisation (including production stripping)								675-725

## Mineral Resources and Ore Reserves<sup>14</sup>

Newcrest has announced its Group Ore Reserves and Group Mineral Resources as at 31 December 2015. Group Ore Reserves are estimated to contain 69 million ounces of gold, 11 million tonnes of copper and 46 million ounces of silver. Group Mineral Resources are estimated to contain 140 million ounces of gold, 20 million tonnes of copper and 120 million ounces of silver.

The key drivers of the reduction of approximately 5.8 million ounces in Newcrest's gold Group Ore Reserves were:

- Depletion - of approximately 3 million ounces
- Impact of lower gold price assumption – by USD 50/oz to USD 1,200/oz
- Reduction in gold considered economically mineable:
  - Telfer Vertical Stockwork Corridor: 0.5 million ounces, removed from Ore Reserve
  - Bonikro Push-Back 5: 0.4 million ounces, removed from Ore Reserve
- Updated pit design at Hidden Valley: 0.7 million ounces lower
- Wafi-Golpu – Stage Two Prefeasibility Study reducing gold Ore Reserves by 0.7 million ounces
- Cadia East - reconciliation of the cave shape achieved to date reducing reserves by 0.7 million ounces

The key drivers of the reduction of approximately 0.8 million tonnes in Newcrest's copper Group Ore Reserves were:

- Depletion - of approximately 0.1 million tonnes
- Wafi-Golpu – Stage Two Prefeasibility Study reducing copper reserves by 0.3 million tonnes
- Cadia East - reconciliation of the cave shape achieved to date reducing reserves by 0.3 million tonnes

Further detail on Group Ore Reserves and Group Mineral Resources can be found in the Company's Market Release of 15 February 2016 entitled "Annual Mineral Resources and Ore Reserves Statement – 31 December 2015".

## Corporate

On 29 February 2016, the Federal Court is due to begin hearing a class action brought against Newcrest by Earglow Pty Ltd, on its own behalf and on behalf of certain shareholders who acquired an interest in Newcrest securities traded on the ASX between 13 August 2012 and 6 June 2013. Newcrest rejects the allegations made against it on a number of grounds and is ready to defend the class action. The trial is estimated to take between 12 and 14 weeks.

For further information, please contact:

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## Notes

<sup>1</sup> Statutory profit/(loss) is profit after tax attributable to owners of the Company.

<sup>2</sup> Newcrest's results are reported under International Financial Reporting Standards (IFRS). This report also includes certain non-IFRS financial information, including the following:

- 'Underlying profit/(loss)' is profit after tax before significant items attributable to owners of the Company.
- 'EBITDA' is 'Earnings before interest, tax, depreciation and amortisation, and significant items'. EBIT is 'Earnings before interest, tax and significant items'.
- 'EBITDA Margin' is EBITDA expressed as a percentage of revenue. 'EBIT Margin' is EBIT expressed as a percentage of revenue.
- 'AISC' is All-In Sustaining Cost and 'AIC' is All-In Cost as per World Gold Council Guidance Note on Non-GAAP Metrics released June 2013. AISC will vary from period to period as a result of various factors including production performance, timing of sales, and the level of sustaining capital and the relative contribution of each asset. 'AISC Margin' reflects the realised gold price less the AISC per ounce sold.
- Net debt to EBITDA is calculated as net debt divided by rolling 12 month EBITDA. For the current period, Net debt to EBITDA calculated as Net debt as at 31 December 2015 of USD 2,654 million divided by EBITDA covering January 2015 to December 2015 of USD 1,282 million. Net debt to EBITDA for the corresponding prior period, calculated as Net debt as at 31 December 2014 of USD 3,519 million divided by EBITDA covering January 2014 to December 2014 of USD 1,365 million.
- 'Free Cash Flow' is calculated as cash flow from operating activities less cash flow related to investing activities.
- Underlying profit, EBIT, EBITDA, EBITDA Margin, EBIT Margin, Free Cash Flow, All-In Sustaining Cost, AISC Margin, All-In Cost, Sustaining capital and Major projects (non-sustaining) are non-IFRS financial measures which Newcrest employs in managing the business. They are used by management to assess the performance of the business and make decisions on the allocation of resources and have been included in this report to provide greater understanding of the underlying financial 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. These measures have not been subject to audit or review by Newcrest's external auditor.

These measures do not have any standard definition under IFRS and may be calculated differently by other companies. Refer to section C of the "ASX Appendix 4D Half Year Financial Report" for a reconciliation of non-IFRS measures to the most appropriate IFRS measure.

<sup>3</sup> Comparative financial information included in this Report previously reported in AUD has been restated into USD. Further details of the restatement process are provided in the Market Release dated 17 December 2015 and the Company's "ASX Appendix 4D Half Year Financial Report" released on 15 February 2016.

<sup>4</sup> All figures in this Report relate to businesses of the Newcrest Mining Limited Group ('Newcrest' or 'the Group') for the 6 months ended 31 December 2015 ('current period') compared with the 6 months ended 31 December 2014 ('corresponding prior period'), except where otherwise stated. All references to 'the Company' are to Newcrest Mining Limited. All references to \$ are a reference to US dollars unless otherwise stated.

<sup>5</sup> 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.

<sup>6</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>7</sup> Estimates are from a prefeasibility study and as such are subject to an accuracy range of  $\pm 25\%$ . Findings are 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 Disclaimer in footnote 12 in relation to forward looking statements.

<sup>8</sup> Subject to market and operating conditions and no unforeseen circumstances occurring.

<sup>9</sup> Full feasibility study level is considered to be at  $\pm 15\%$  accuracy.

<sup>10</sup> Findings are subject to the further feasibility work described above to be undertaken.

<sup>11</sup> As timing for finalisation of PMDA is uncertain, valuation outcomes are shown at the time of commencement of earthworks for the access declines. Costs are based on 2016 real estimates. Neither the costs nor cost escalation impacts prior to commencement of earthworks are included in the valuation outcomes. All numbers are based on information derived from work undertaken for the Stage One Feasibility Study and are subject to completion of the further feasibility study work, investment approval, receipt of all necessary permits and approvals and market and operating conditions and engineering. Refer to Disclaimer in footnote 12 in relation to forward looking statements. All figures are at 100% ownership unless otherwise stated.

<sup>12</sup> Disclaimer: 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", 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. Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause Newcrest'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 licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which Newcrest 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 Newcrest and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect Newcrest's business and operations in the future. Newcrest does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that Newcrest's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by Newcrest or management or beyond Newcrest's control.

Although Newcrest 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 Newcrest. 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 stock exchange listing rules, in providing this information Newcrest 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.

<sup>13</sup> AUD guidance provided in 2015 Full Year Financial Results assumed copper price of USD2.40/lb, silver price of USD15.00 per ounce and AUD:USD exchange rate of 0.74. USD guidance stated 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.

<sup>14</sup> 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. 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.