

# Half Year Results FY22

17 February 2022

(figures are in US\$ except where stated)



## Newcrest advances profitable growth agenda<sup>1,2,3,4,5</sup>

- **Creating a brighter future for people through safe and responsible mining**
  - More than six years fatality free
  - Development of the Group Net Zero Emissions Roadmap is currently in progress
  - Rollout of Respect@Work program continues under a dedicated project team
- **On track to deliver Group FY22 guidance<sup>6</sup>**
  - Statutory profit and Underlying profit of \$298 million<sup>7,8</sup>
  - All-In Sustaining Cost (AISC) of \$1,194/oz<sup>8,9</sup> delivering an AISC margin of \$502/oz<sup>8,10</sup>
  - Cash flows from operating activities of \$423 million
- **Advancing Newcrest's global organic growth portfolio**
  - Newcrest Board approved the Cadia PC1-2, Red Chris Block Cave, Havieron Stage 1 and Lihir Phase 14A Pre-Feasibility Studies to the Feasibility Stage with works advancing on all projects
  - Approval received for Cadia to increase its permitted processing capacity to 35Mtpa<sup>11</sup>
  - West Dome Stage 5 cutback underway, supporting the continuity of operations at Telfer
  - Major increases across Mineral Resources and Ore Reserves separately announced today, including an increase in gold Ore Reserves by 10% to 54 million ounces<sup>12,13</sup>
- **Newcrest to acquire Pretium Resources Inc., owner of the Brucejack mine in British Columbia<sup>14</sup>**
  - Addition of a Tier 1 large scale, long life, low cost mine to Newcrest's unrivalled portfolio of assets
  - Immediate increase in Newcrest's gold production by 300koz pa to well above 2Moz<sup>6,12,15,16</sup>
  - Accretive to Newcrest's EBITDA and cash flow
  - Immediate operational and financial diversification in a Tier 1 jurisdiction
  - Growth in a region where Newcrest already operates and has strong existing relationships
  - Significant near mine and district-scale exploration opportunity with exciting potential to realise resource and reserve growth
  - Transaction approved by Pretium securityholders, with completion expected in the March 2022 quarter<sup>14</sup>
- **Strong balance sheet and delivering strong shareholder returns**
  - Strong balance sheet well within financial policy targets, with net debt of \$469 million, leverage ratio of 0.2 times and a gearing ratio of 4.5% at 31 December 2021
  - Significant liquidity at 31 December 2021 with \$3.2 billion in cash and committed undrawn bank facilities
  - Sale of royalty asset portfolio generated \$37.5 million
  - Total dividends paid in the current period of US 40 cents per share
  - Fully franked interim dividend of US 7.5 cents per share

Newcrest Managing Director and Chief Executive Officer, Sandeep Biswas, said "We have taken a big step forward in our profitable growth agenda during the first half of FY22. The depth and quality of our global organic growth portfolio was demonstrated through the announcement of the findings of the Cadia PC1-2, Red Chris Block Cave, Havieron Stage 1 and Lihir Phase 14A Pre-Feasibility Studies. Each of these studies indicate excellent rates of return

and we are projecting a material growth in our operating margin and cash flow over the next decade. Progressing each one of these studies makes compelling financial sense and we are excited by the significant potential beyond the base case projections.”

“Strategic, value-adding M&A has been a feature of our growth in recent years and we are also looking forward to completing the Pretium Resources transaction this quarter and adding the world class Brucejack mine to our unrivalled portfolio of assets. The addition of Brucejack will drive a material increase in Mineral Resources, Ore Reserves, annual gold production and cash flows, enhancing the quality of our portfolio for many years to come. We will have exposure to six Tier 1 orebodies, five of which will be operating and, pleasingly, we will continue to maintain our long reserve life advantage compared to our peers.”

“The transaction will enable Newcrest to expand in one of the premium gold districts in the world and increase our production to well over two million ounces of gold per year until at least 2030. We are confident that our long life, high margin production will be delivered at an extremely competitive All-In-Sustaining Cost.”

“The outlook for the commodities that we mine is strong, and we have additional opportunities to further enhance our gold and copper production profile. Our team continues to pursue the potential for further open pit and underground opportunities to extend the life of Telfer, the development of Wafi-Golpu and potentially Namosi, all of which represent upside opportunity to our current base case projections.”

“We have also progressed plans to expand Cadia during the period, Red Chris and Havieron continue to deliver exceptional drilling results, and we are already working with the Pretium team to drive further shareholder value at Brucejack. We also safely delivered the replacement and upgrade of the SAG mill motor at Cadia, which is now operating at full capacity, setting us up for a strong second half of FY22 and beyond for Cadia.”

“Safety remained our top priority with zero fatalities recorded, we progressed our sustainability agenda and continued to deliver initiatives as part of our ambition to build an inclusive workplace culture, where all our people can thrive and excel, including through the rollout of our Respect@Work program. Our balance sheet remains strong and we are well positioned to both support our growth projects and deliver shareholder returns during this growth phase.”

“Following a solid start to the financial year, Newcrest is well placed to deliver a strong second half, to continue to pursue profitable growth, and to progress our *Forging an Even Stronger Newcrest* plan,” said Mr Biswas.

## Summary of Operating and Financial Results

For the 6 months ended 31 December

	Endnote	UoM	2021	2020	Change	Change %
TRIFR	17	mhrs	3.5	2.2	1.3	59%
Group production - gold	9	oz	832,298	1,038,566	(206,268)	(20%)
Group production - copper		t	50,945	69,320	(18,375)	(27%)
Revenue		\$m	1,715	2,172	(457)	(21%)
EBITDA	8	\$m	740	1,146	(406)	(35%)
EBIT	8	\$m	448	826	(378)	(46%)
Statutory profit	7	\$m	298	553	(255)	(46%)
Underlying profit	8	\$m	298	553	(255)	(46%)
Cash flows from operating activities		\$m	423	992	(569)	(57%)
Free cash flow	8	\$m	(303)	439	(742)	(169%)
EBITDA margin	8	%	43.1	52.8	(9.7)	(18%)
EBIT margin	8	%	26.1	38.0	(11.9)	(31%)
All-In Sustaining Cost	8,9,18	\$/oz	1,194	972	222	23%
All-In Sustaining Cost margin	8,10	\$/oz	502	842	(340)	(40%)
Realised gold price	19	\$/oz	1,733	1,826	(93)	(5%)
Realised copper price	19	\$/lb	4.31	3.12	1.19	38%
Average exchange rate		AUD:USD	0.7319	0.7225	0.0094	1%
Average exchange rate		PGK:USD	0.2848	0.2862	(0.0014)	(0%)
Average exchange rate		CAD:USD	0.7939	0.7585	0.0354	5%
Closing exchange rate		AUD:USD	0.7256	0.7702	(0.0446)	(6%)
Earnings per share (basic)		US\$ cents	36.4	67.7	(31.3)	(46%)
Earnings per share (diluted)		US\$ cents	36.3	67.5	(31.2)	(46%)
Dividends paid per share		US\$ cents	40.0	17.5	22.5	129%

	Endnote	UoM	As at 31 Dec 2021	As at 30 Jun 2021	Change	Change %
Cash and cash equivalents		\$m	1,231	1,873	(642)	(34%)
Net debt or (net cash)		\$m	469	(176)	645	366%
Gearing		%	4.5	(1.8)	6.3	350%
Total equity		\$m	9,982	10,124	(142)	(1%)

Refer to the Company's "ASX Appendix 4D and Financial Report" released on 17 February 2022, and the Management Discussion and Analysis in particular, for more detail on the Company's financial results.

## Dividend Policy

Newcrest looks to pay ordinary dividends that are sustainable over time having regard to its cash flow generation, its reinvestment options in the business and external growth opportunities, its financial policy metrics and its balance sheet strength. Newcrest targets a total annual dividend payout of 30-60% of free cash flow generated for the financial year, with the annual total dividends being at least US15 cents per share on a full year basis.

Having regard to the abovementioned considerations, the Newcrest Board has determined that an interim fully franked dividend of US 7.5 cents per share will be paid on Thursday, 31 March 2022.

The record date for entitlement is Monday, 28 February 2022.

The financial impact of the interim dividend amounting to \$61 million, based on Newcrest's existing issued capital at 31 December 2021, has not been recognised in the Consolidated Financial Statements for the half year. The Company's Dividend Reinvestment Plan remains in place.

The declaration of any future dividend remains at the discretion of the Newcrest Board, having regard to circumstances prevailing at that time.

## COVID-19 Update

To date, Newcrest has not experienced any material COVID-19 related disruptions to production or to the supply of goods and services. Some project activities have experienced a level of disruption with efforts being made to minimise their impact on the overall cost and schedule. The operating cost of managing COVID-19 risks in the current period was approximately \$32 million (of which \$27 million was related to Lihir), which included additional costs related to flights, transport, rosters, leave, screening and testing.

Newcrest now expects that the total cost of managing COVID-19 for the 2022 financial year will be in the order of \$50-60 million, up from the \$35-45 million estimated at the start of the financial year. The increase in COVID related costs is driven by Lihir and reflects the impacts of Government restrictions on travel, absenteeism, isolation requirements and logistical challenges.

There remains a risk of COVID-19 disruptions across all operations and this continues to be closely managed. All of Newcrest's operations have business continuity plans and contingencies in place which seek to minimise disruptions to the operations in the event that a significant number of operational employees and/or contractors contract the virus. It is expected that these plans will enable operations to effectively manage the COVID-19 risk to production schedules and if there are any material impacts, Newcrest will inform the market in line with its continuous disclosure obligations.

## Summary of Half Year Financial Results

Statutory profit and Underlying profit were both \$298 million in the current period.

Underlying profit of \$298 million was lower than the prior period primarily due to the planned replacement and upgrade of the Cadia SAG mill motor (completed in November 2021), and lower production at Lihir due to the expected decline in grade as the mine plan transitioned into Phase 15, heavy rainfall limiting access to high grade ore (additional pumping has been installed) and major maintenance activity.

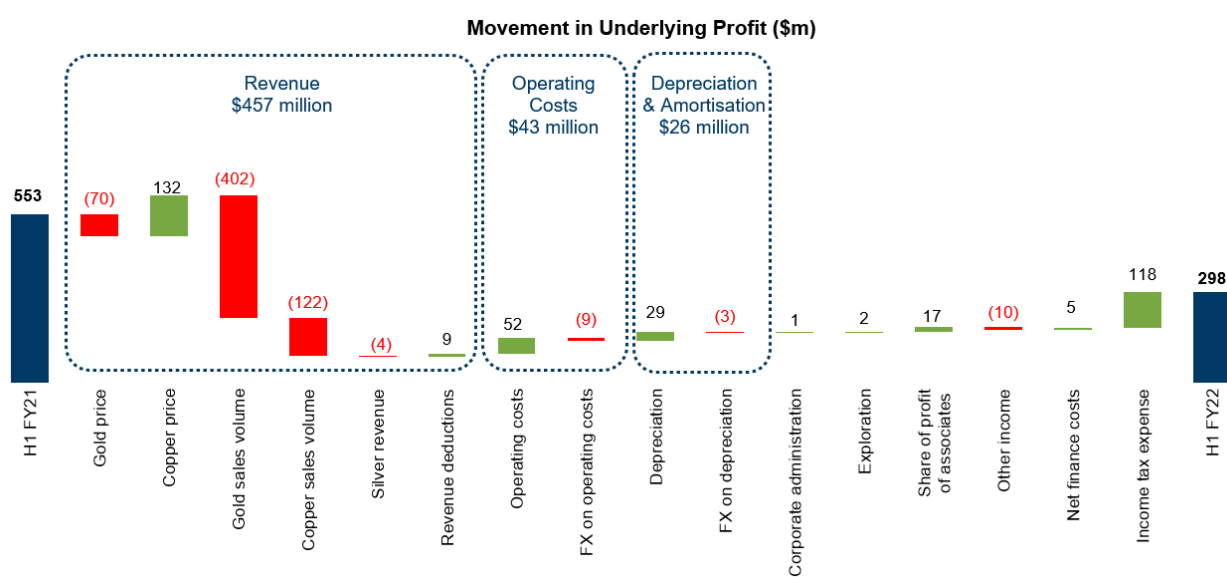
The current period reflected lower gold and copper sales volumes (driven by lower production), a lower realised gold price, higher concentrate freight costs due to the global tightness and challenges in the sea freight market, and the unfavourable impact on operating costs from the strengthening of the Australian dollar against the US dollar. Operating costs were also impacted by labour and consumable cost pressures due to rising demand, constrained supply and underlying commodity price increases. Newcrest continues to collaborate with its suppliers to identify ways to manage these cost pressures.

This was partially offset by a higher realised copper price, lower income tax expense as a result of the Company's decreased profitability in the current period, lower overall operating costs due to the lower sales volumes, lower gold price and volume linked costs such as royalties, a lower depreciation expense, and an increase in Newcrest's share of profits from its associates.

## Underlying profit

For the 6 months ended 31 December

US\$m	2021	2020	Change	Change %
Gold revenue	1,296	1,768	(472)	(27%)
Copper revenue	479	469	10	2%
Silver revenue	8	12	(4)	(33%)
Less: treatment and refining deductions	(68)	(77)	9	12%
<b>Total revenue</b>	<b>1,715</b>	<b>2,172</b>	<b>(457)</b>	<b>(21%)</b>
Operating costs	(986)	(1,029)	43	4%
Depreciation and amortisation	(283)	(309)	26	8%
<b>Total cost of sales</b>	<b>(1,269)</b>	<b>(1,338)</b>	<b>69</b>	<b>5%</b>
Corporate administration expenses	(61)	(62)	1	2%
Exploration expenses	(34)	(36)	2	6%
Share of profit of associates	21	4	17	425%
Other income	76	86	(10)	(12%)
Net finance costs	(35)	(40)	5	13%
Income tax expense	(115)	(233)	118	51%
<b>Underlying profit</b>	<b>298</b>	<b>553</b>	<b>(255)</b>	<b>(46%)</b>



## Free cash flow

Free cash flow of negative \$303 million was lower than the prior period, primarily due to the lower earnings (EBITDA), unfavourable net working capital movements and increased investment in major capital projects at Cadia, Red Chris, Havieron and Lihir that underpin the expected future growth of Newcrest. This was partially offset by lower interest payments due to debt refinancing and the early repayment of corporate bonds in prior periods.

In the current period, Newcrest received net pre-tax cash flows of \$68 million from the Fruta del Norte financing facilities (acquired in April 2020 for \$460 million). This is reflected within the cash flow statement as \$38 million in operating cash flow (interest payments received) and \$30 million in investing cash flow (primarily principal repayments received).

US\$m	For the 6 months ended 31 December			
	2021	2020	Change	Change %
<b>Cash flows from operating activities</b>	<b>423</b>	<b>992</b>	<b>(569)</b>	<b>(57%)</b>
Production stripping and sustaining capital expenditure	(289)	(264)	(25)	(9%)
Major project capital expenditure (non-sustaining)	(426)	(251)	(175)	(70%)
Total capital expenditure	(715)	(515)	(200)	(39%)
Reclassification of capital leases	6	5	1	20%
Exploration and evaluation expenditure	(57)	(63)	6	10%
Net receipts from Fruta del Norte finance facilities	30	14	16	114%
Proceeds from sale of property, plant and equipment	-	7	(7)	(100%)
<b>Free cash flow (before M&amp;A activity)<sup>8</sup></b>	<b>(313)</b>	<b>440</b>	<b>(753)</b>	<b>(171%)</b>
Proceeds from sale of royalty portfolio	32	-	32	-
Payment for purchase of put option	(19)	-	(19)	-
Payments for investment in associates	(3)	(1)	(2)	(200%)
<b>Free cash flow</b>	<b>(303)</b>	<b>439</b>	<b>(742)</b>	<b>(169%)</b>

## Balance Sheet

US\$m	At 31 Dec 2021	At 30 Jun 2021	Change	Change %
<b>Assets</b>				
Cash and cash equivalents	1,231	1,873	(642)	(34%)
Trade and other receivables	326	289	37	13%
Inventories	1,516	1,505	11	1%
Other financial assets	646	641	5	1%
Current tax assets	5	3	2	67%
Property, plant and equipment	10,070	9,788	282	3%
Goodwill	18	19	(1)	(5%)
Other intangible assets	39	32	7	22%
Deferred tax assets	50	54	(4)	(7%)
Investment in associates	462	442	20	5%
Other assets	83	68	15	22%
<b>Total assets</b>	<b>14,446</b>	<b>14,714</b>	<b>(268)</b>	<b>(2%)</b>
<b>Liabilities</b>				
Trade and other payables	(523)	(577)	54	9%
Current tax liability	(45)	(107)	62	58%
Borrowings	(1,635)	(1,635)	-	0%
Lease liabilities	(65)	(62)	(3)	(5%)
Other financial liabilities	(97)	(110)	13	12%
Provisions	(707)	(735)	28	4%
Deferred tax liabilities	(1,392)	(1,364)	(28)	(2%)
<b>Total liabilities</b>	<b>(4,464)</b>	<b>(4,590)</b>	<b>126</b>	<b>3%</b>
<b>Net assets</b>	<b>9,982</b>	<b>10,124</b>	<b>(142)</b>	<b>(1%)</b>
<b>Equity</b>				
Equity attributable to owners of the parent	9,982	10,124	(142)	(1%)
<b>Total equity</b>	<b>9,982</b>	<b>10,124</b>	<b>(142)</b>	<b>(1%)</b>

## Review of Operations<sup>20</sup>

For the 6 months ended 31 December 2021

	UoM	Cadia	Lihir	Telfer	Red Chris	Fruta del Norte <sup>9</sup>	Other	Group
<b>Operating</b>								
<b>Production</b>								
Gold	koz	224	305	214	20	69	-	833
Copper	kt	33	-	7	10	-	-	51
Silver	koz	192	11	96	62	-	-	362
<b>Sales</b>								
Gold	koz	225	297	205	20	70	-	818
Copper	kt	33	-	7	10	-	-	50
Silver	koz	190	11	96	63	-	-	360
<b>Financial</b>								
Revenue	\$m	687	533	372	123	-	-	1,715
EBITDA	\$m	452	125	102	50	-	11	740
EBIT	\$m	376	2	44	24	-	2	448
Net assets	\$m	3,391	4,160	(24)	1,046	-	1,409	9,982
Operating cash flow	\$m	427	129	51	43	-	(227)	423
Investing cash flow	\$m	(387)	(162)	(40)	(108)	-	(29)	(726)
Free cash flow*	\$m	40	(33)	11	(65)	-	(256)	(303)
AISC	\$m	19	541	278	27	56	56	977
	\$/oz	85	1,819	1,355	1,314	802	-	1,194
AISC Margin <sup>10</sup>	\$/oz	1,648	(86)	378	419	-	-	502

\* Free cash flow for 'Other' includes an inflow from other investing activities of \$40 million (comprising proceeds from the sale of the royalties portfolio of \$32 million, net receipts from Fruta del Norte finance facilities of \$30 million, purchase of a put option of \$19 million, and \$3 million relating to further investments in Lundin Gold), income tax paid of \$138 million, net interest paid of \$1 million, exploration expenditure of \$39 million, corporate costs of \$45 million, other capital expenditure of \$33 million, and net working capital outflows of \$40 million.

Refer to the Company's "ASX Appendix 4D and Financial Report" released on 17 February 2022, and the Management Discussion and Analysis in particular, for an operational overview for the period.



## Guidance<sup>3,6,20,21</sup>

Newcrest remains on track to deliver its full year Group production guidance following completion of major planned maintenance in the September 2021 quarter and the completion of the SAG mill motor project at Cadia. Lihir's performance is expected to further improve in the second half through access to higher grade ore from Phase 14, increasing high and medium grade ore from Phase 15 and lower plant maintenance, however, Lihir is expected to deliver at the lower end of its production guidance range for FY22.

Group AISC guidance for FY22 remains unchanged, however costs associated with managing COVID-19 are now expected to be in the order of \$50-60 million, up from the \$35-45 million estimated at the start of the financial year. The increase in COVID related costs is driven by Lihir and reflects the impacts of Government restrictions on travel, absenteeism, isolation requirements and logistical challenges.

### Guidance for the 12 months ending 30 June 2022

	Cadia	Lihir	Telfer	Red Chris	Fruta del Norte <sup>(a)</sup>	Havieron	Other	Group
<b>Production</b>								
Gold - koz	540 - 610	700 - 800	390 - 440	40 - 42	120 - 135			1,800 - 2,000
Copper - kt	85 - 95		~15	23 - 25				125 - 130
<b>All-In-Sustaining Cost (AISC) – Includes production stripping (sustaining) and sustaining capital</b>								
AISC - \$m	(100) - 30	1,070 - 1,160	600 - 680	(25) - 15	100 - 104		135 - 145	1,840 - 2,040
<b>Capital Expenditure (\$m)</b>								
- Production stripping (sustaining)		140 - 150	25 - 35					165 - 175
- Production stripping (non-sustaining)				50 - 70				50 - 70
- Sustaining capital	160 - 180	150 - 170	50 - 60	65 - 70			15 - 20	440 - 490
- Major projects (non-sustaining)	580 - 650	105 - 135		110 - 130		65 - 85	6 - 8 <sup>(b)</sup>	890 - 990
<b>Total Capital Expenditure</b>	<b>740 - 830</b>	<b>395 - 455</b>	<b>75 - 95</b>	<b>225 - 270</b>		<b>65 - 85</b>	<b>21 - 28</b>	<b>1,545 - 1,725</b>
<b>Exploration and Depreciation (\$m)</b>								
Exploration expenditure								150 - 160
Depreciation and amortisation (including depreciation of production stripping)								700 - 750

(a) The Fruta del Norte guidance represents Newcrest's 32% interest in the annualised production and AISC for Fruta del Norte based on Lundin Gold's market release on 8 December 2020. This release estimated gold production for the 2021 calendar year to be in the range of 380koz to 420koz at an AISC of \$770/oz to \$830/oz.

(b) Other major project expenditure (non-sustaining) includes non-sustaining capital in relation to Wafi-Golpu.

## Global organic growth portfolio advances

In the current period, the Newcrest Board approved the progression of the Cadia PC1-2, Red Chris Block Cave, Havieron Stage 1 and Lihir Phase 14A Pre-Feasibility Studies (PFS) to the Feasibility Stage with works advancing on all projects. The projections generated by each of the PFS studies indicate compelling rates of return, a material improvement in Newcrest's operating margin and cash flow, and a significant reduction in Newcrest's AISC per ounce. Newcrest intends to fund all four projects through its internal cash flow generation and prudent use of its strong balance sheet.

In addition, the Newcrest Board approved total expenditure of \$182 million<sup>22</sup> for the West Dome Stage 5 cutback at Telfer in August 2021.

### Red Chris

Red Chris is a joint venture between Newcrest (70%) and Imperial Metals Corporation (30%). Newcrest acquired its interest in, and operatorship of, Red Chris on 15 August 2019.

In October 2021, the Newcrest Board endorsed the Red Chris Block Cave PFS and approved its progression to the Feasibility Stage. The Study confirms Newcrest's original investment thesis of unlocking the underground portion of this Tier 1 deposit by leveraging Newcrest's industry-leading block caving expertise and developing the asset to become a mainstay of Newcrest's portfolio for decades to come. The Feasibility Study is expected to be completed in the second half of FY23<sup>23</sup>.

As noted in the Study, there are significant opportunities to enhance these results including, but not limited to, the 'early mining' of the high grade pods in the East Zone and the emerging opportunity associated with the discovery of the East Ridge Zone, which is outside of Newcrest's initial Mineral Resource estimate, and other exploration results<sup>24</sup>.

Newcrest continued its significant drilling campaign at Red Chris during the period with eight rigs currently operational. The development of the exploration decline and support infrastructure also advanced during the period with the decline having progressed to 765 metres as at 25 January 2022.

### Havieron Project

The Havieron Project is located 45km east of Newcrest's Telfer operation and is operated by Newcrest under a Joint Venture Agreement (JVA) with Greatland Gold plc (Greatland).

The findings of the Havieron PFS Stage 1 were released in October 2021 and the Newcrest Board approved the progression of the Study to the Feasibility Stage. Following delivery of the PFS, Newcrest is entitled to a 70% joint venture interest in the Havieron Project. Newcrest has an option to acquire an additional 5% joint venture interest for fair value, exercisable during the 12 months from 12 December 2021. In December 2021, Newcrest provided notice to Greatland to begin the process under the JVA to seek to agree the option price for the additional 5%.

As noted in the Study, significant upside opportunities are being evaluated. The deposit is still open in multiple directions with the potential to increase the scale and life of the project, as well as presenting the opportunity to adopt alternative, lower cost, mining methods<sup>24</sup>. The Feasibility Study is expected to be completed in the December 2022 quarter<sup>23</sup>.

Newcrest continued to progress its extensive drilling program at Havieron during the period with eight drill rigs in operation. Growth drilling continues to extend the high-grade mineralisation outside of the initial Inferred Mineral Resource estimate, including high grade extensions to the South East Crescent Zone at depth, as well as high grade crescent style mineralisation within extensions of the Eastern Breccia.

The development of the exploration decline also continued during the period with 277 metres complete as at 25 January 2022, with progress impacted by highly variable and more challenging ground conditions than expected. Recent additional geotechnical investigation has also highlighted the potential for ground conditions to have an impact on development going forward. Work is currently ongoing to understand the impact on project schedule as well as to assess options to recover some of these delays. First ore continues to be expected in FY24<sup>23</sup> and further updates will be provided once this work is complete. Opportunities continue to be pursued for mine life extensions in both the open pit and underground at Telfer, with the objective of continued utilisation of the Telfer plant as Havieron and other potential feed sources are introduced in the future<sup>24</sup>.

Blind boring of the first ventilation shaft has commenced. Key contracts for the Feasibility Study have been awarded and works to progress the necessary approvals and permits that are required to commence the development of an operating underground mine and associated infrastructure at the Project are ongoing<sup>25</sup>.

### **Lihir Phase 14A Pre-Feasibility Study**

In October 2021, the Newcrest Board approved the Lihir Phase 14A PFS enabling the commencement of the Feasibility Study and Early Works Program. Phase 14A accelerates the realisation of Newcrest's aspiration for Lihir to be a 1 million ounce plus per annum producer from FY24<sup>26</sup>, which will also benefit landowners, all Lihirians and Papua New Guinea. Phase 14A has increased Lihir's Ore Reserves and will bring forward higher grades to improve gold production and operational flexibility by establishing an additional independent ore source<sup>23</sup>.

Significant activities completed in the December 2021 quarter included trial ground support anchor drilling and installation, completion of access to commence drainage works and the procurement of mobile fleet equipment. Results from the ground support trials have been positive and have been incorporated into civil engineering designs. The Feasibility Study is expected to be completed in the fourth quarter of FY22<sup>23</sup>.

### **Cadia PC1-2 Pre-Feasibility Study**

In August 2021, the Newcrest Board approved the Cadia PC1-2 PFS, enabling the commencement of the Feasibility Study and Early Works Program. The PFS updates and defines a significant portion of Cadia's future mine plan, with the development of PC1-2 accounting for ~20% of Cadia's current Ore Reserves. The study delivers attractive returns with an optimised mine design expected to deliver higher gold and copper grades and enable the deferral of capital expenditure in the medium term.

### **Cadia processing capacity approval**

In December 2021, Newcrest received approval from the New South Wales Department of Planning, Industry & Environment for a modification to increase the permitted processing capacity of Cadia from 32Mtpa to 35Mtpa<sup>11</sup>. The expansion to a plant capacity of 35Mtpa is already underway, with completion expected in the September quarter of calendar year 2022<sup>6</sup>. The modification also provides approval for Newcrest to repair the slumped section of the NTSF at Cadia and revise the footprint of the NTSF and Southern Tailings Storage Facility to allow for a change from an upstream to a centreline lift design. The centreline lift design will meet the requirements of the Global Industry Standard on Tailings Management jointly published by the International Council on Mining & Metals, United Nations environment programme, and the Principles for Responsible Investment.

### **Acquisition of Pretium Resources**

On 9 November 2021, Newcrest announced it had entered into an agreement to acquire all of the issued and outstanding common shares of Pretium Resources Inc. (Pretivm) that it does not already own by way of a Canadian Plan of Arrangement (Transaction).

Pretivm is the owner of the Brucejack operation in the highly prospective Golden Triangle region of British Columbia, Canada. Brucejack began commercial production in July 2017 and is one of the highest-grade operating gold mines in the world. The benefits for Newcrest to acquire Pretivm include<sup>14</sup>:

- Addition of a Tier 1 large scale, long life, low cost mine to Newcrest's unrivalled portfolio of assets
- Immediate increase in Newcrest's gold production by 300koz pa to well above 2Moz pa<sup>6,12,15,16</sup>
- Accretive to Newcrest's EBITDA and cash flow
- Immediate operational and financial diversification from a Tier 1 jurisdiction
- Growth in a region where Newcrest already operates and has strong existing relationships
- Significant near mine and district-scale exploration opportunity with exciting potential to realise resource and reserve growth

On 20 January 2022 (Vancouver time), Pretivm shareholders and option holders (Securityholders) voted overwhelmingly in favour of the Transaction at the Pretivm Securityholder's meeting. See release titled "[Pretivm Securityholders approve acquisition by Newcrest](#)" dated 21 January 2022 for further information.

The Transaction has also been approved by the Supreme Court of British Columbia and received competition clearances including under the Competition Act of Canada and pursuant to the Anti Monopoly Law of China.

Completion of the Transaction remains subject to approval under the Investment Canada Act. Newcrest expects the Transaction to be completed during the March 2022 quarter<sup>14</sup>.

## People - Safety and Culture

Newcrest continued to safely operate its assets in the current period, recording its sixth year free of fatalities. Noting that Newcrest's Total Recordable Injury Frequency Rate (TRIFR) in the current period of 3.47 injuries per million hours worked was higher than the prior period, primarily driven by minor hand injuries and other low-potential incidents. Newcrest has implemented improvement plans to address this trend.

Culture is a key component of Newcrest's *Forging an Even Stronger* plan and Newcrest remains focused on building an inclusive and psychologically safe work environment where everyone feels valued, respected and supported to be their best. Newcrest continued to invest in the development of Inclusive Leadership behaviours and know-how at all levels of the organisation during the period.

Newcrest's Respect@Work program continues to progress with a dedicated project team now in place to eliminate behaviours associated with sexual assault and sexual harassment (SASH) in the workplace. The program is currently focused on identifying areas of improvement to inform a leading practice SASH prevention and response framework.

## Sustainability

Newcrest continued to make excellent progress against its sustainability commitments during the period. The development of the Group Net Zero Emissions Roadmap is currently in progress and will outline the key steps for Newcrest to deliver its goal of net zero carbon emissions by 2050. The Rye Park Wind Farm reached financial close during the period and construction of the project has now commenced. As previously announced, Newcrest entered into a 15-year renewable Power Purchase Agreement with Tilt Renewables, the developer of the Rye Park Wind Farm and now owned by Power Australian Renewables (PowAR), to secure a significant portion of Cadia's future projected energy requirements from 2024.

Other key targets for FY22 are progressing in line with expectations including implementation of site water efficiency plan actions and mandatory cultural heritage competency training.

## Executive changes

As previously announced, Ms Sherry Duhe was appointed as Chief Financial Officer, succeeding Mr Gerard Bond, Newcrest's previous Finance Director and Chief Financial Officer. Ms Duhe will commence her role as Chief Financial Officer on 21 February 2022.

## Capital structure

Newcrest's financial objectives are to meet all financial obligations, maintain a strong balance sheet to withstand cash flow volatility, be able to invest capital in value-creating opportunities, and to provide returns to shareholders. Newcrest looks to maintain a conservative level of balance sheet leverage.

Newcrest's net debt as at 31 December 2021 was \$469 million. This comprises \$1,635 million of capital market debt and lease liabilities of \$65 million, less \$1,231 million of cash holdings. At 31 December 2021, Newcrest had liquidity coverage of \$3,231 million, comprising \$1,231 million of cash and \$2,000 million in committed undrawn bilateral bank debt facilities with tenors ranging from 2024 to 2026.

Newcrest's financial policy metrics and its performance against them are as follows:

Metric	Policy 'looks to'	At 31 December 2021	At 30 Jun 2021
Credit rating (S&P/Moody's)	Investment grade	BBB/Baa2	BBB/Baa2
Leverage ratio (Net debt to EBITDA)	Less than 2.0 times	0.2	(0.1)
Gearing ratio	Below 25%	4.5%	(1.8%)
Cash and committed undrawn bank facilities	At least \$1.5bn, of which ~1/3 is in the form of cash	\$3.23bn (\$1.23bn cash)	\$3.87bn (\$1.87bn cash)

## Dividend dates, Currency & Dividend Reinvestment Plan

The Newcrest Board has determined that an interim fully franked dividend of US 7.5 cents per share is to be paid on Thursday, 31 March 2022. The key dates in relation to the final dividend are set out in the table below.

Action	Date
Ex-Dividend Date	Friday, 25 February 2022
Record Date and Currency Conversion Date	Monday, 28 February 2022
Election Date – final date to elect to participate in DRP and receive foreign currency	Tuesday, 1 March 2022
VWAP period begins for DRP	Wednesday, 2 March 2022
VWAP period ends for DRP	Tuesday, 8 March 2022
Payment/Issue Date	Thursday, 31 March 2022

The subscription amount for shares allotted under the DRP will be an amount in cents that is the arithmetic average of the daily volume weighted average sale price for Newcrest shares sold on the ASX during the VWAP period (2 March – 8 March 2022) rounded down to the nearest full cent.

### Payment currencies

The currencies in which dividend payments will be made are included in the table below.

Currency to be paid	Shareholders
Australian dollars	All shareholders who will not be paid US dollars, PNG kina or NZ dollars in accordance with the circumstances set out below.
US dollars	Shareholders who: <ul style="list-style-type: none"><li>• have nominated a US dollar bank account domiciled in the US by 5:00pm (ADST) Tuesday, 1 March 2022, being the Election Date; or</li><li>• are listed on the Canadian register of shareholders (CUSIP Q6651B114).</li></ul>
Papua New Guinea kina	Shareholders: <ul style="list-style-type: none"><li>• who have nominated a PNG kina bank account domiciled in PNG by 5:00pm (ADST) Tuesday, 1 March 2022, being the Election Date; or</li><li>• with a registered address in PNG who have not nominated an Australian dollar bank account domiciled in Australia, or a US dollar bank account domiciled in the US, or a NZ dollar bank account domiciled in New Zealand, by 5:00pm (ADST) Tuesday, 1 March 2022, being the Election Date.</li></ul>
NZ dollars	Shareholders who have nominated a NZ dollar bank account domiciled in New Zealand by 5:00pm (ADST) Tuesday, 1 March 2022, being the Election Date.

Payments made in Australian dollars, Papua New Guinea kina and New Zealand dollars will be converted from US dollars at the prevailing exchange rate on 28 February 2022, being the Record Date and Currency Conversion Date.

Mandatory Direct Credit of dividends applies to shareholders with a registered address in Australia, Papua New Guinea or New Zealand. Those shareholders are unable to receive their dividend by way of cheque.

### Dividend Reinvestment Plan

The Dividend Reinvestment Plan (DRP) will apply to the final dividend. The DRP allows eligible shareholders to reinvest part or all of their dividends into Newcrest shares. No discount will be applied to allotments made under the DRP. A copy of the DRP Rules is available on the Company's website at <http://www.newcrest.com/investor>.

## Half year financial results call

We invite you to join our investor webcast from Melbourne at 9:30am on Thursday, 17 February 2022. Please register prior to this broadcast on the Newcrest website.

<http://www.newcrest.com/investors/reports/financial>

Should you be unable to join us, the webcast can be viewed on our website following the live presentation.

## Authorised by the Newcrest Board Executive Committee

### For further information please contact

#### Investor Enquiries

Tom Dixon

+61 3 9522 5570

+61 450 541 389

[Tom.Dixon@newcrest.com.au](mailto:Tom.Dixon@newcrest.com.au)

#### North American Investor Enquiries

Ryan Skaleskog

+1 866 396 0242

+61 403 435 222

[Ryan.Skaleskog@newcrest.com.au](mailto:Ryan.Skaleskog@newcrest.com.au)

#### Media Enquiries

Tim Salathiel

+61 3 9522 4263

+61 407 885 272

[Tim.Salathiel@newcrest.com.au](mailto:Tim.Salathiel@newcrest.com.au)

This information is available on our website at [www.newcrest.com](http://www.newcrest.com)



## Endnotes

<sup>1</sup> All figures in this document relate to businesses of the Newcrest Mining Limited Group ('Newcrest' or 'the Group') for the 6 months ended 31 December 2021 ('current period') compared with the 6 months ended 31 December 2020 ('prior period'), except where otherwise stated. All references to 'the Company' are to Newcrest Mining Limited.

<sup>2</sup> **Technical and scientific information:** The technical and scientific information contained in this document relating to Pretivm was reviewed by Ms Jillian Terry, Head of Mineral Resource Management, FAusIMM, a Qualified Person as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects (NI 43-101) and confirmed to be a true and accurate representation of data presented in the Q1 2021 MD&A and Technical Report, and filed by Pretivm on SEDAR ([www.sedar.com](http://www.sedar.com)). The technical and scientific information contained in this document relating to Wafi-Golpu and Lihir was reviewed and approved by Mr Craig Jones, Newcrest's Chief Operating Officer PNG, FAusIMM and a Qualified Person as defined in NI 43-101. The technical and scientific information contained in this document relating to Cadia and Red Chris was reviewed and approved by Mr Philip Stephenson, Newcrest's Chief Operating Officer Australia and Americas, FAusIMM and a Qualified Person as defined in NI 43-101.

<sup>3</sup> **Disclaimer:** This document includes forward looking statements and forward looking information within the meaning of securities laws of applicable jurisdictions. Forward looking statements can generally be identified by the use of 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 estimated reserves and resources, certain plans, strategies, aspirations and objectives of management, anticipated production, study or construction dates, expected costs, cash flow or production outputs and anticipated productive lives of projects and mines. The Company continues to distinguish between outlook and guidance. Guidance statements relate to the current financial year. Outlook statements relate to years subsequent to the current financial year.

These forward looking statements 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, or industry results, expressed or implied by these forward looking statements. 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. For further information as to the risks which may impact on the Company's results and performance, please see the risk factors included in the Operating and Financial Review included in the Appendix 4E and Financial Report for the year ended 30 June 2021 and the Annual Information Form dated 6 December 2021 which are available to view at [www.asx.com.au](http://www.asx.com.au) under the code "NCM" and on Newcrest's SEDAR profile.

Forward looking statements are based on Newcrest's good faith assumptions as 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 will prove to be correct. There may be other factors that could cause actual results or events not to be as anticipated, and many events are beyond the reasonable control of Newcrest. Readers are cautioned not to place undue reliance on forward looking statements, particularly in the current economic climate with the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic. Forward looking statements in this document speak only at the date of issue. Except as required by applicable laws or regulations, Newcrest does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in assumptions on which any such statement is based.

<sup>4</sup> **Reliance on Third-Party Information:** This document contains information that has been obtained from third parties and has not been independently verified, including estimates and actual outcomes relating to production and AISC for Fruta del Norte and Brucejack. No representation or warranty is made as to the accuracy, completeness or reliability of such information. This document should not be relied upon as a recommendation or forecast by Newcrest.

<sup>5</sup> **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 2001 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 is in accordance 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 and reporting comply with the JORC Code. Newcrest is also subject to certain Canadian disclosure requirements and standards, as a result of its secondary listing on the Toronto Stock Exchange (TSX), including the requirements of NI 43-101. Investors should note that it is a requirement of Canadian securities law that the reporting of Mineral Reserves and Mineral Resources in Canada and the disclosure of scientific and technical information concerning a mineral project on a property material to Newcrest comply with NI 43-101. Newcrest's material properties are currently Cadia, Lihir, Red Chris and Wafi-Golpu. Copies of the NI 43-101 Reports for Cadia, Lihir and Wafi-Golpu, which were released on 14 October 2020, and Red Chris, which was released on 30 November 2021, are available at [www.newcrest.com.au](http://www.newcrest.com.au) and on Newcrest's SEDAR profile.

<sup>6</sup> Subject to market and operating conditions and potential delays due to COVID-19 impacts. Estimates should not be construed as guidance.

<sup>7</sup> Statutory profit is profit after tax attributable to owners of the Company.

<sup>8</sup> Newcrest's results are reported under International Financial Reporting Standards (IFRS). This document includes certain non-IFRS financial information within the meaning of ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by ASIC and "non-GAAP information" within the meaning of National Instrument 52-112 – *Non-GAAP and Other Financial Measures* published by the Canadian Securities Administrator. Such information includes:

- 'Underlying profit' (profit or loss after tax before significant items attributable to owners of the Company);
- 'EBITDA' (earnings before interest, tax, depreciation and amortisation, and significant items);
- 'EBIT' (earnings before interest, tax and significant items);
- 'EBITDA Margin' (EBITDA expressed as a percentage of revenue);
- 'EBIT Margin' (EBIT expressed as a percentage of revenue);
- 'Leverage ratio (net debt to EBITDA)' (calculated as net debt divided by EBITDA for the preceding 12 months);
- 'Free cash flow' (calculated as cash flows from operating activities less cash flows from investing activities. Free cash flow for each operating site is calculated as Free cash flow before interest, tax and intercompany transactions);
- 'Free Cash Flow before M&A activity' (being 'Free Cash Flow' excluding acquisitions, investments in associates and divestments);
- 'AISC' and 'AIC' (All-In Cost) as per the updated World Gold Council Guidance Note on Non-GAAP Metrics released November 2018. AISC and AIC 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; and
- AISC Margin reflects the average realised gold price less the AISC per ounce sold.

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 document to provide greater understanding of the underlying financial 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. Such non-IFRS financial information/non-GAAP financial measures do not have a standardised meaning prescribed by IFRS and may be calculated differently by other companies. Although Newcrest believes these non-IFRS/non-GAAP financial measures provide useful information to investors in measuring the financial performance and condition of its business, investors are cautioned not to place undue reliance on any non-IFRS financial information/non-GAAP financial measures included in this document. 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, available on Newcrest's website and the ASX and SEDAR platforms. For further details refer to the Company's "ASX Appendix 4D and Financial Report" released on 17 February 2022, and Section 6 of the Management, Discussion & Analysis in particular.

<sup>9</sup> Group gold production, gold sales and AISC includes Newcrest's 32% attributable share of Fruta del Norte through its 32% equity interest in Lundin Gold Inc. (Lundin Gold). The outcomes for Fruta del Norte have been sourced from Lundin Gold's news releases. For further details refer to the Company's "ASX Appendix 4D and Financial Report" released on 17 February 2022, and Section 6.6 of the Management, Discussion & Analysis in particular.

- Gold production in the current period includes 68,985 ounces relating to Newcrest's 32% attributable share of the 215,578 ounces reported by Lundin Gold for the six month period ended 31 December 2021; and
- Group AISC in the current period includes an estimated reduction of \$37 per ounce, which represents 35,714 ounces of Newcrest's 32% attributable share of the 111,605 ounces sold at \$804 per ounce as reported by Lundin Gold for the September 2021 quarter plus an estimate for the December 2021 quarter based on the 34,533 ounces relating to Newcrest's 32% attributable share of the 107,915 ounces reported by Lundin Gold for the December 2021 quarter at the mid-point of Newcrest's FY22 guidance (\$800 per ounce).

<sup>10</sup> Newcrest's AISC margin has been determined by deducting the All-In Sustaining Cost attributable to Newcrest's operations from Newcrest's realised gold price. For further details refer to the Company's "ASX Appendix 4D and Financial Report" released on 17 February 2022, and Section 6.6 of the Management, Discussion & Analysis in particular.

<sup>11</sup> The modification is subject to conditions including Newcrest commissioning an independent audit report to the satisfaction of the New South Wales Department of Planning, Industry & Environment Secretary in relation to Newcrest's approach to managing and minimising the off-site air quality impacts of the project.

<sup>12</sup> **Competent Person's Statement:** The information in this document that relates to Group Mineral Resources, Ore Reserves, and related scientific and technical information has been extracted from Newcrest's release titled "Annual Mineral Resources and Ore Reserves Statement – as at 31 December 2021" dated 17 February 2022 (the original MR&OR release) which is available to view at [www.asx.com](http://www.asx.com) under the code "NCM" and on Newcrest's SEDAR profile and is based on and fairly represents information compiled by Ms J Terry. Ms Terry is Newcrest's Head of Mineral Resource Management and a full-time employee of Newcrest Mining Limited. She is entitled to participate in Newcrest's executive equity long term incentive plan, details of which are included in Newcrest's 2021 Remuneration Report. She is a Fellow of the Australasian Institute of Mining and Metallurgy. Ms Terry has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the JORC Code and as a Qualified Person under NI 43-101. Ms Terry has reviewed and approves the disclosure of scientific and technical information contained in this document and consents to the inclusion of material of the matters based on her information in the form and context in which it appears. The information in this document that relates to the production target for the Newcrest Group to 2030 has been extracted from Page 3 of the release titled "Newcrest advances its organic growth portfolio" as disclosed to the ASX dated 12 October 2021 (the original growth release). The production targets in this document that relate to Lihir have been extracted from the release titled "Lihir PFS supports gold production growth to 1Mozpa+ from FY24" dated 12 October 2021 (the original Lihir release). The original growth release and the original Lihir release (together, the original releases) are available to view at [www.asx.com.au](http://www.asx.com.au) under the code "NCM" and on Newcrest's SEDAR profile. Newcrest confirms that all material assumptions underpinning the production targets in the original releases continue to apply and have not materially changed, but Cadia and Lihir's Ore Reserves are subject to depletions for the period to 31 December 2021.

<sup>13</sup> Gold Reserves reflect Proved and Probable Gold Ore Reserves (contained metal) as reported in the original MR&OR release dated 17 February 2022. An extract of the original MR&OR release is included below:

Gold Ore Reserves As at 31 December 2021 <sup>(a),(b)</sup>	Proved Ore Reserves			Probable Ore Reserves		
	Dry Tonnes (Mt)	Au Grade (g/t Au)	Insitu Au (Moz)	Dry Tonnes (Mt)	Au Grade (g/t Au)	Insitu Au (Moz)
Total Cadia Province	-	-	-	1,300	0.43	19
Total Telfer Province	-	-	-	50	0.93	1.5
Total Red Chris Province (70%)	-	-	-	330	0.53	5.6
Total Lihir Province	58	1.9	3.6	250	2.4	19
Wafi-Golpu (50%) <sup>(c)</sup>	-	-	-	200	0.86	5.5
<b>Total</b>	<b>58</b>	<b>1.9</b>	<b>3.6</b>	<b>2,200</b>	<b>0.72</b>	<b>50</b>

(a) Cadia Province Probable Reserves includes Cadia East Underground 1,300Mt @ 0.42g/t Au and Ridgeway Underground 80Mt @ 0.54g/t Au; Telfer Province Probable Reserves includes Open Pit Stockpiles 8.8Mt @ 0.43g/t Au, West Dome Open Pit 32Mt @ 0.58g/t Au, Telfer Underground 3.7Mt @ 1.1g/t Au and Havieron 40% registered interest 5.4Mt @ 3.7g/t Au; Red Chris Province Probable Reserves 70% equity share includes Red Chris Open Pit 42Mt @ 0.39g/t Au, Red Chris Open Pit Stockpiles 7.3Mt @ 0.16g/t Au and Red Chris Underground 280Mt @ 0.55g/t Au; Lihir Province Proved Reserves are Lihir Stockpiles 58Mt @ 1.9g/t Au and Lihir Province Probable Reserves includes Lihir Open Pit 230Mt @ 2.4g/t Au and Lihir Stockpiles 13Mt @ 1.6g/t Au; Wafi-Golpu 50% equity share Golpu Probable Reserves are as presented in the above table.

(b) Data is reported to two significant figures to reflect appropriate precision in the estimate and this may cause some apparent discrepancies in totals.

(c) Wafi-Golpu Project is owned by the Wafi-Golpu unincorporated joint venture between subsidiaries of Newcrest (50%) and Harmony (50%). In March 2021, the Governor of the Morobe Province commenced a judicial review application against the state of PNG, challenging the December 2020 grant of the environment permit for the Wafi-Golpu Project. The judicial review proceeding is on hold while a September 2021 National Court Environment Permit interim stay order and State appeal of that order are processed in the Supreme Court.



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- <sup>14</sup> Subject to satisfaction of Transaction conditions precedent, including receipt of Investment Canada Act approval.
- <sup>15</sup> Based on Pretivm's Technical Report on the Brucejack Gold Mine Northwest British Columbia dated 9 March 2020 filed by Pretivm on SEDAR ([www.sedar.com](http://www.sedar.com)) in accordance with NI 43-101.
- <sup>16</sup> Based on the Newcrest production targets set out on Page 3 of its release titled "Newcrest advances its global organic growth portfolio" (the original growth release) dated 12 October 2021 which is available to view at [www.asx.com.au](http://www.asx.com.au) under the code of "NCM" and on Newcrest's SEDAR profile. The Mineral Resources and Ore Reserves underpinning the production targets are also specified in such release, and they have been prepared by Competent Persons in accordance with Appendix 5A of the ASX Listing Rules. Note that the Mineral Resources and Ore Reserves quoted in the original growth release are subject to depletions for the period to 31 December 2021.
- <sup>17</sup> Total Recordable Injury Frequency Rate per million hours worked.
- <sup>18</sup> Subsequent to the release of Newcrest's FY21 half year results, gold sales and AISC for the six months ending 31 December 2020 were restated to include Newcrest's 32% share of Fruta del Norte's December 2020 quarterly results which Lundin Gold released on 15 March 2021.
- <sup>19</sup> Realised metal prices are the US dollar spot prices at the time of sale per unit of metal sold (net of Telfer gold production hedges), excluding deductions related to treatment and refining costs and the impact of price related finalisations for metals in concentrate. The realised price has been calculated using sales ounces generated by Newcrest's operations only (i.e. excluding Fruta del Norte).
- <sup>20</sup> All data relating to operations is shown at 100%, with the exception of Red Chris which is shown at 70% and Fruta del Norte which is shown at 32%.
- <sup>21</sup> The guidance stated assumes weighted average copper price of \$4.20 per pound, AUD:USD exchange rate of 0.75 and CAD:USD exchange rate of 0.80 for FY22.
- <sup>22</sup> A\$246 million converted to US dollars using the spot AUD/USD exchange rate of 0.74.
- <sup>23</sup> Subject to market and operating conditions, all necessary approvals, regulatory requirements, and no unforeseen delays (including any delays due to COVID-19).
- <sup>24</sup> Subject to further studies.
- <sup>25</sup> In addition, the development of any underground mine at the Havieron Project will also be subject to the completion of a successful exploration program and further studies, market and operating conditions, Board approvals, and a positive decision to mine.
- <sup>26</sup> The production target underpinning the estimate for Lihir is ~19Moz over the LOM. The production target for Lihir is based on the utilisation of 100% of Lihir's Ore Reserves, being 4Moz Proved (63Mt @ 2.0 g/t Au) and 19Moz (250Mt @ 2.4 g/t Au) Probable Ore Reserves as at 30 June 2021, which have been prepared by Competent Persons in accordance with Appendix 5A of the ASX Listing Rules (see Newcrest release titled "Lihir PFS supports gold production growth to 1Mozpa+ from FY24" dated 12 October 2021 which is available to view at [www.asx.com.au](http://www.asx.com.au) under the code of "NCM" and on Newcrest's SEDAR profile), but is subject to depletions for the period since 1 July 2021.