

# NEWCREST



## Market Release

30 May 2005

### Guidance for profit outlook

The Board of Newcrest Mining Limited advises that following recent business planning discussions it wishes to issue guidance on the profit outlook for the 2005 and 2006 financial years.

The 2005 and 2006 profit will be impacted by the late start and slower than anticipated ramp up at its Telfer mine, which was reported in the Company's March quarterly report (released 20 April 2005).

In addition the volatility in the level of inventory of copper concentrate expected to be held as at 30 June, 2005 may impact on this result.

The Company will continue to take steps to minimise inventory levels at all sites however it is currently estimated that the full year after tax profit result for 2005 will be in the range of \$130-\$145 million.

In the 2006 financial year Newcrest expects to produce between 1.7 and 1.8 million ozs of gold and between 110,000 and 120,000 tonnes of copper metal compared with the forecast 2005 figures of almost 1.2 million ounces of gold and more than 90,000 tonnes of copper metal. The new Telfer mine is expected to contribute over 800,000 ozs of gold and 55,000 tonnes of copper in 2006. The concentrator at Telfer continues to out perform in terms of tonnage treated and additional open pit mining equipment will be mobilized to the Telfer mine in order to maintain the high tonnage rates.

In 2006, the Toguraci production is expected to be similar to 2005 but at Ridgeway the mine grade will fall, as previously flagged, to an average of approximately 2.35 g/t resulting in lower production from that mine in 2006. Cracow production is expected to be as anticipated.

Higher cash costs, higher interest charges and expected lower copper prices will further offset the increased revenue from Telfer and impact the 2006 profit.

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A J Palmer  
Managing Director and  
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The company's commitment to the conversion of resources to reserves is being maintained. When appropriate work is completed significant reserve increases are expected in 2005 and 2006 in both the Cadia East and Kencana projects.

\*\*\*ENDS\*\*\*