Market Release

Newcrest Mining Limited

23rd February 2006

Financials for the half year ending 31 December 2005 and Profit Outlook

Newcrest Mining Limited today released its December 2005 Half Year Financial Results.

The key points of the result were:

- Profit after tax of $74.2M ($51.6M) up 44%
- Cash costs of $153/oz ($121/oz)
- Total costs of $271/oz ($246/oz)

The Newcrest profit of $74.2M ($51.6M) for the December Half was based on gold production of 767,514oz (466,697oz) and sales of 768,280oz (432,010oz).

Sales revenue increased to $696.0M($396.5M) up 76% due to the first full period of operations from Telfer, since open cut mining recommenced. This includes $225.7M ($134.2M) from copper revenue. Also included in revenue is a $27.6M favourable pricing adjustments on prior year concentrate shipments. This has not been included in the calculation of achieved prices.

The achieved gold price for the period was A$569/oz ($578/oz) which was $60/oz lower than the average spot price, while the achieved copper price was $1.83/lb ($1.79/lb) which was lower than the spot copper price received for sales of $2.72/lb. The resulting gold hedge losses and copper hedge losses were $46.4M (gain $1.1M) and $110.3M ($7.5M) respectively.

Cash costs for the period were higher at $153/oz ($121/oz). Total costs were 10% higher at $271/oz ($246/oz)

Mark to market value of the Newcrest hedge book of negative $1,344M was recorded for the first time on the balance sheet under AIFRS.

Cash flow from operations of $44.2M ($169.4M) was lower due to higher concentrate debtors and inventory, increased mining costs from the growth of operations at Telfer and Cracow and an increase in borrowing costs and tax paid.

Cashflow from investing decreased to $284.9M ($450.3M) due to a significant reduction of expenditure on the Telfer project.

(Numbers in brackets reflect the comparable figures for the half ending 31 December 2004)

Telfer Update

Commissioning of the pyrite plant is in its final stages and the intensive leach reactor is expected to be commissioned around the end of March 2006. These plant additions provide the means to increase the production of gold when fully operational. Recent geological work confirms the grades and tonnes in the ore reserve.

A recent contract renewal visit to our major customers in Japan and other parts of Asia successfully placed all of the Company's copper concentrate production for the next year. The trip, however, highlighted the need to maintain a strong focus on copper concentrate quality management to ensure continued compliance with contract conditions both in terms of minimum copper content in the concentrate and the maximum permissible levels of arsenic. In the short term, meeting customer requirements will prevent the maximization of gold production.

To achieve this it will be necessary to feed certain ore types into the mill that achieve the copper concentrate objectives but at the expense of some gold production in the short term. This together with other issues mentioned in previous reports means that previous estimates of gold production in the second half of the year will not be met. Production at Telfer for FY 2005/06 will be closer to 700,000 ounces than the 800,000 ounces previously foreshadowed.

The longer term and permanent solution is to reduce the levels of arsenic in concentrate. The Company is addressing this issue on a number of fronts. The previously mentioned two concentrate project separates the concentrate into one product that meets long term existing customer requirements and another with higher permissible arsenic levels that has been sold into other markets at some penalty. The next phase of the project is to reduce the amount of product that does not meet long term customer requirements. This work is progressing well and by year-end we expect to be producing the majority of concentrate within standard long term contract specifications. Testwork on underground ore is suggesting that the arsenic content is lower for that ore which, as the proportion of underground ore into the mill increases during this calendar year, will facilitate the move towards production of copper concentrate meeting long term specifications.

Profit Outlook

As a result of this expected change in Telfer gold production, it is now expected that at current commodity prices and exchange rate net profit after tax for the full year will be in the range of $340 million to $350 million after taking into account the profit from the sale of the Company's interest in the Boddington joint venture of approximately $215 million.

Managing Director

The Managing Director, Mr Tony Palmer, has advised he will be leaving the Company around the middle of the year, near the time of his sixtieth birthday.

Since he joined the Company, a number of key developments have been completed and new projects initiated. The Company's size and market capitalization have also increased substantially during that time.

The Board and Mr Palmer are working together to find a suitable successor.

A J Palmer

Managing Director and

Chief Executive Officer