

NEWCREST MINING LIMITED
ABN: 20 005 683 625

ASX Full-year information
30 June 2007

Lodged with the ASX under Listing Rule 4.3A

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Auditor's Report

**FINANCIAL RESULTS FOR THE YEAR ENDED 30 JUNE 2007**

This information should be read in conjunction with the additional financial information attached.

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	30 June 2007	30 June 2006	Percentage
	\$'M	\$'M	increase/ (decrease)
Total revenue from ordinary activities	1,561.0	1,398.9	12%
Net profit after tax from continuing operations and after minority interest	72.0	131.3	(45%)
Net profit from ordinary activities after tax and minority interest attributable to members of the parent entity	72.0	349.5	(79%)

Dividends

Interim dividend per share	Nil
Final dividend per share (unfranked)	5 cents
Record date for determining entitlement to dividend	6 September 2007
Date dividend payable	27 September 2007

Review of Results

Refer to the additional financial information attached.

Other information required by Listing Rule 4.3A

The remainder of the information requiring disclosure to comply with Listing Rule 4.3A is contained in the attached additional information.

**REVIEW OF RESULTS**

This discussion and analysis is provided to assist readers in understanding the additional financial information. The additional financial information has been derived from the full 2007 Financial Report of Newcrest Mining Limited.

The Consolidated Entity consists of Newcrest Mining Limited and its controlled entities ('the Consolidated Entity'). The principal activities of the Consolidated Entity during the financial year comprised exploration, development, mining and the sale of gold and gold/copper concentrate.

OVERVIEW OF OPERATING RESULTS FOR THE YEAR

Net profit after tax and minority interest was \$72.0 million (2006: \$349.5 million). The reported results for 2006 included \$218.2 million profit on sale of the Consolidated Entity's 22.22% interest in the Boddington Gold Mine Joint Venture.

Net profit after tax and minority interest from continuing operations decreased 45% from \$131.3 million to \$72.0 million.

Revenue and net profit include the impact of gold hedge restructures which are non-cash accounting adjustments. The net profit impact in the current year was negative \$122.5 million (2006: \$7.7 million loss). Details of the impact on profit, revenue and expenses from hedge restructures are provided in Note 2(h) to the additional financial information.

A partial restructuring of the hedge book was undertaken in November 2006. The objective of restructuring the hedge book was to increase exposure to higher spot gold prices to enable additional cash flow for debt reduction and capital reinvestment. To gain this exposure, the delivery of 1.6 million ounces relating to existing hedges from the initial four years were deferred into the three subsequent years, resulting in a more acceptable risk profile for Newcrest. The cash flow impact in the current year of the hedge book restructures was positive by \$160.6 million.

Both gold production and gold sales volume were higher than 2006. Gold production increased 5.7% and gold sales volume increased by 8.6% to 1.627 million ounces compared to the previous year. In the current financial year, sales were higher than production with a resultant draw down on mineral inventory. Higher gold sales volumes were driven by an improved production performance from Gosowong offsetting minor movements at other sites.

Copper production and sales were lower compared to the prior financial year. Copper production declined by 11.5% and Copper sales volume declined 15.4% compared to the previous year. Copper production at Cadia Valley operations was in line with plan, while Telfer suffered from grade and recovery issues.

Revenue benefited from improved achieved gold and copper prices. The average spot price received increased by 15% to \$814 per oz (\$708 per oz). On a cash flow basis, after the hedge restructure, gold sales hedged for the year decreased to 55% compared to 93% in the prior corresponding year.

Revenue also benefited from higher achieved copper prices and a reduced percentage of copper tonnes hedged. The spot price of copper increased 10.6% to \$4.08 per pound (\$3.69 per pound) and tonnes hedged reduced from 90% to 40%. Newcrest's legacy copper hedging commitments were completed in June 2007.

Pressure on key input costs, higher unit costs at Telfer and higher depreciation expenses had a negative impact on profitability. The prior year benefited from copper pricing finalisation on prior year shipments and higher other income associated with valuation of gold lease rates.

The financial highlights of the 2006/07 year are summarised in the following table:



	2007	2006
Net profit after tax from continuing operations and after minority interest	\$72.0 million	\$131.3 million
Net profit after tax from discontinued operations (Boddington)	-	\$218.2 million
Total net profit after tax and minority interest	\$72.0 million	\$349.5 million
Basic earnings per share from continuing operations after minority interest	21.5 cents	39.6 cents
Total basic earnings per share after minority interest	21.5 cents	105.3 cents
Return on members equity (Net profit after tax) *	4.7 percent	8.9 percent
Gearing (Net Debt / Net Debt + Equity) *	46 percent	50 percent
Cash flow from operating activities	\$387.4 million	\$263.8 million

* Calculations based on profit from continuing operations after minority interest and equity after excluding the hedge reserve.

DISCUSSION AND ANALYSIS OF THE INCOME STATEMENT

Key factors impacting the result for continuing operations in the current year are:

Gold Sales Revenue

Total gold revenue increased significantly to \$1,110.4 million (2006: \$845.4 million) as a result of higher achieved prices plus an increase in sales volumes. Spot prices received were A\$814 per ounce (2006: A\$708 per ounce) however the settlement of hedge book commitments resulted in an achieved gold price received for 2007 of A\$682 per ounce (2006: A\$564 per ounce).

Total gold sales ounces, excluding sales of gold produced during pre-commissioning of Telfer underground, were 1,626,979 (2006: 1,498,526). This increase of 128,453 ounces was mainly as a result of:

- increase of 181,965 ounces at Gosowong due to the commencement of production at the Kencana underground operation;
- decrease of 63,914 ounces from lower grade material at Ridgeway;
- increase of 16,731 ounces from Telfer due to the commencement of production from the underground operation partly offset by lower throughput and lower grade material from the open pit;
- decrease of 13,650 ounces from lower throughput and grade at Cadia Hill; and
- increase of 7,320 ounces from Cracow.

Gold sales were higher than production resulting in a reduction in mineral inventory. The accounting impact for the November 2006 hedge restructure was a negative charge of \$158.0 million to sales. Although accounting revenue was lower by this amount, the cash benefit from the de-hedged ounces was \$160.6 million.

**DISCUSSION AND ANALYSIS OF THE INCOME STATEMENT (CONTINUED)****Copper & Silver Sales Revenue**

Total copper by-product revenue for 2007 increased to \$573.0 million (2006: \$515.2 million) due to increased realised prices partly offset by lower sales volumes from Telfer and Ridgeway. The higher average spot copper price received in 2007 of A\$4.08 per pound (2006: A\$3.69 per pound) was offset by the delivery of copper hedge book commitments which resulted in an achieved copper price received for the Consolidated Entity of A\$2.94 per pound (2006: A\$2.22 per pound).

Silver revenue increased to \$20.8 million (2006: \$14.1 million) due to higher spot prices received. The prior year benefited from favourable pricing adjustments on prior year shipments of \$29.4 million compared with \$1.9 million in the current year.

Losses on Restructured Hedges

The non-cash accounting adjustment to sales revenue due to the November 2006 hedge restructure plus previous hedge restructures was a loss of \$151.1 million (2006: \$11.0 million loss).

Other Revenue Factors

The combination of other revenue and other income was \$22.9 million (2006: \$48.3 million). This was lower due to a reduction in the mark-to-market movement on the gold lease swap rate in the current period to a gain of \$1.6 million (2006: \$27.8 million gain) and a foreign exchange gain in the corresponding year of \$5.6 million. These were partly offset by a \$12.3 million refund in the current year of prior year royalty payments from Cadia Valley Operations.

Profit from Sale of Boddington Interest

In the corresponding year, a net profit after tax of \$218.2 million was made on the disposal of the Consolidated Entity's 22.22% interest in the Boddington Gold Mine Joint Venture.

Costs

Gross mine costs (before by-product revenue) and per unit cash costs were higher compared to the prior year. The increase was principally due to higher costs experienced at the Telfer site and to a lesser extent cost pressures on key inputs at all sites. Telfer experienced higher costs during the current year attributable to specific operational factors and one-off cost impacts. These included the ramp up of the Telfer underground operation, a power outage suffered in October 2006 and associated ongoing incremental costs and cyclonic rainfall events experienced in March 2007. Cost increases for labour, explosives, fuel and maintenance activities continue to be experienced across the operations.

Depreciation and amortisation increased to \$224.4 million (2006: \$186.6 million). The unit rate of depreciation increased from \$125 per oz to \$138 per oz due mainly to the commissioning of the Telfer underground mine.

Gross borrowing costs were higher at \$96.7 million (2006: \$89.8 million). Interest of \$84.4 million (2006: \$75.4 million) was expensed and \$12.3 million (2006: \$14.4 million) was capitalised. The increase in interest costs was mainly due to higher average interest rates compared to the corresponding year. Total finance costs include an expense of \$23.9 million for the unwinding of discount relating to the 2006 hedge restructure (2006: \$Nil).

Administration costs of \$38.2 million excluding depreciation (2006: \$42.9 million) were lower mainly due to the costs associated with corporate restructuring and redundancies in the corresponding year.

**DISCUSSION AND ANALYSIS OF THE INCOME STATEMENT (CONTINUED)**

Total exploration expenditure for the year was \$59.9 million (2006: \$57.0 million) with \$47.2 million being charged against income compared to \$41.7 million in the previous year. Exploration capitalised for the year related to Kencana, Cadia East and Cracow.

Other expenses of \$26.7 million (2006: \$8.5 million) mainly comprised a foreign exchange loss of \$18.5 million (2006: \$5.6 million gain reported in other income). The loss in the current year was due to the impact of the strengthened AUD on the restatement of USD denominated concentrate receivables. In addition, other expenses included equity settled compensation expense of \$5.5 million (2006: \$4.5 million).

Income tax expense in the current year of \$10.4 million (2006: \$46.9 million) resulted in an effective tax rate of 10.4% (2006: 25.5%). The decrease is primarily due to increased deductions for research and development allowances including adjustments to amounts provided in the prior year for this item.

DISCUSSION AND ANALYSIS OF THE BALANCE SHEET

The group's Net Assets and Total Equity increased during the current year by \$780.1 million. This was mostly due to a reduction in the mark to market value of the hedge book recorded on balance sheet at 30 June 2007 by \$576.4 million net of deferred taxes. In addition, Net Assets and Total Equity increased due to a foreign exchange gain on US\$ denominated debt (net of deferred taxes) of \$127.4 million and net profit after tax for the year of \$72.0 million.

Net debt, comprising total borrowings less cash, of \$1,319.6 million (2006: \$1,476.7 million) was reduced by \$157.1 million during the current year. This was due to the foreign exchange gain on US\$ denominated debt of \$182.0 million (before tax) and net repayments on borrowings of \$93.3 million partly offset by a lower cash balance as at 30 June 2007. The gearing ratio of net debt to net debt plus equity decreased from 50% to 46% as at 30 June 2007. (Equity is adjusted to remove the impact of the hedge reserve).

DISCUSSION AND ANALYSIS OF THE CASH FLOW STATEMENT**Cash Flow – Operating Activities**

Cash flow from operating activities increased significantly to \$387.4 million (2006: \$263.8 million).

Cash flow increased due to higher sales and increased exposure to higher priced spot sales. The November hedge book restructure resulted in a reduction of hedged gold ounces for the year from 93% to 55%.

Payments to suppliers and employees increased due to continued pressure on labour, fuel and maintenance costs across all operations and the higher operating costs base of the Telfer operation.

Increased borrowing costs were mostly due to higher average interest rates.

**DISCUSSION AND ANALYSIS OF THE CASH FLOW STATEMENT (CONTINUED)****Cash Flow – Investing Activities**

Capital expenditure for the year was \$340.8 million (2006: \$487.9 million), a 30 percent reduction from last financial year. Major areas of capital expenditure during the financial year were:

- Development expenditure of \$138.0 million, primarily relating to Telfer Underground and Kencana;
- Project expenditure of \$63.0 million, including Ridgeway Deeps and Cadia East;
- Sustaining capital of \$75.0 million; and
- Capitalised pre-commissioning and borrowing costs of \$64.8 million.

In addition, total exploration and province development expenditure was \$59.9 million

Cash Flows – Financing Activities

Capital expenditure programs were financed through operating cash flows. During the year \$93.3 million in net repayments were made on borrowings, conversely cash was reduced by \$118.7 million to \$34.3 million. Total debt reduced by \$275.8 million due to the \$182.0 million benefit from restatement of US Dollar debt.

Major movements in cash flows from financing activities included:

- \$41.6 million repayment of Nippon USD loan;
- \$33.5 million repayment of the Gold loan;
- \$8.4 million net repayment from US Bilateral debt facilities;
- \$5.7 million net repayment of loan from minority interest;
- \$4.5 million repayment of finance lease principal; and
- \$12.7 million of funds were received from the exercise of share options.

Dividends Paid

Dividends paid of \$24.5 million comprised:

- A final dividend payment of 5 cents per share amounting to \$16.7 million was paid to Newcrest shareholders on 13 October 2006 in respect of the 30 June 2006 financial year, however, the Dividend Reinvestment Plan reduced the actual cash amount paid to \$13.8 million; and
- A dividend of \$10.7 million was paid to the minority shareholder of Newcrest's Indonesian operation during the financial year.



Likely Developments, Business Strategies and Future Prospects

The Consolidated Entity anticipates that increased production levels across the operations portfolio will have a positive impact on key financial results and measures in the 2007/08 full financial year. The most significant areas of development, strategies and prospects for Newcrest are:

- Stabilised production from Telfer. A full year of production from the underground should contribute to higher throughputs. Good quality primary ore from the open pit and underground should improve recoveries.
- Kencana is expected to increase production through higher throughput and improved grade.
- Higher grades and better recoveries are expected from Cadia Hill in 2007/08.
- Pre-Feasibility and Feasibility work to continue at Cadia East Open Pit, Cadia East Underground and Kencana 2/Link.
- Development work to continue at Ridgeway Deeps.
- Increased commitment to exploration activities.
- Focus on business improvement initiatives at all operating sites.

Further information on likely developments and future prospects for the operations of Newcrest known to the date of this report have also been covered in further detail in the Chairman's Report and the Managing Director and Chief Executive Officer's Report which are included in the Annual Report. Any further information of this nature has been omitted as it would unreasonably prejudice the interests of the Consolidated Entity.

Significant Changes in the State of Affairs

Significant changes in the state of affairs of the Consolidated Entity that occurred during the financial year were as follows:

- (i) A substantial change in the leadership of the Consolidated Entity with the appointment of a new Chief Executive Officer and Managing Director in July 2006 and a new Non-Executive Chairman in October 2006. Subsequent Senior Management changes occurred, including the appointment of a new Executive Director Finance in November 2006.
- (ii) The Consolidated Entity achieved a record full year group gold production of 1,617,251 ounces. This included increased production from Gosowong with the first full period for the Kencana underground plus initial production from the Telfer underground which was commissioned in November 2006.
- (iii) A partial restructure of the hedgebook was completed in November 2006 whereby the delivery of 1.6 million ounces from existing hedges were deferred from earlier years into later years. The primary purpose of the restructure was to adjust hedging commitments to achieve a better balance of exposure to spot gold prices and to reduce the percentage of production hedged for any one year. The restructure resulted in an increase in cashflow from operations of \$160.6 million in the current year. At current spot prices, the impact of the restructured hedgebook on the Consolidated entity's cash flow will continue to be positive in the early years. The accounting treatment of this restructure requires that the hedges are accounted for based on their original maturity profile irrespective of whether the contracts have been effectively deferred into future periods. As a result, a non-cash accounting adjustment is required in the income statement.

**Significant Changes in the State of Affairs (continued)**

(iv) The Consolidated Entity announced on 27 June 2007 that it had approved the development of the Ridgeway Deeps gold and copper deposit. The development will transition the existing mining operations in the Ridgeway sub-level cave to the lower cost block mining method. The Ridgeway Deeps mine is expected to produce over 2.8 million gold equivalent ounces (1.6 million ounces of gold and 210,000 tonnes of copper) over the total project life of 12 years. The mine will transition from Ridgeway to Ridgeway Deeps ore over the next two financial years and will reach full production in 2009/10. The capital cost of the project is A\$545.0 million.

(v) Newcrest Mining Limited has updated its Mineral Resources and Ore Reserves estimates for the year ended 30 June 2007.

Group Mineral Resources are estimated at 55.2 million ounces of gold and 5.65 million tonnes of copper which, compared with June 2006, is a decrease of 3.7 million ounces of gold and an increase of 0.25 million tonnes of copper. Group Ore Reserves are estimated at 33.2 million ounces of gold and 2.70 million tonnes of copper which, compared with June 2006, is an increase of 0.7 million ounces of gold and an increase of 0.26 million tonnes of copper.

The key points of the 2007 statement are:

- Group Mineral Resources decreased by 3.7 million ounces to 55.2 million ounces of gold and increased by 0.25 million tonnes to 5.65 million tonnes of copper.
- Group Ore Reserves increased by 0.7 million ounces to 33.2 million ounces of gold and by 0.26 million tonnes to 2.70 million tonnes of copper.
- Telfer Mineral Resources have been reduced by 4.9 million ounces of gold and 0.15 million tonnes of copper. Ore Reserves have been reduced by 2.4 million ounces of gold and 0.06 million tonnes of copper. This adopts a more conservative position with respect to contained metal and expected production outcomes.
- Kencana underground Ore Reserves increased to 2.4 million ounces of gold. The increase is partly due to a policy change of reporting 100% from 82.5% of Ore Reserves (increase 0.2 million ounces of gold). Newcrest's economic interest remains at 82.5%.
- Cadia East underground Ore Reserves increased by 1.7 million ounces to 8.9 million ounces of gold and by 0.30 million tonnes to 1.05 million tonnes of copper.
- Ridgeway Deeps block cave Ore Reserve increased by 0.5 million ounces to 1.8 million ounces of gold and by 0.07 million tonnes to 0.22 million tonnes of copper.
- Initial Mineral Resource estimates for porphyry style mineralisation discovered near Marsden (NSW) contain 0.8 million ounces of gold and 0.38 million tonnes of copper.


**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2007**

	Note	Consolidated	
		2007 \$M	2006 \$M
Continuing Operations			
Operating sales revenue	2 (a)	1,706.1	1,404.1
Losses on restructured hedges	2 (a)	(151.1)	(11.0)
Total sales revenue		1,555.0	1,393.1
Site operating costs		(1,250.7)	(1,086.6)
Gross profit		304.3	306.5
Other revenue	2 (b)	6.0	5.8
Other income	2 (c)	16.9	42.5
Exploration costs		(47.2)	(41.7)
Corporate administration costs		(41.6)	(45.2)
Other expenditure		(26.7)	(8.5)
Operating profit		211.7	259.4
Finance costs	2 (f)	(84.4)	(75.4)
Finance costs – unwind discount relating to hedge restructure	2 (h)	(23.9)	-
Profit before income tax expense		103.4	184.0
Income tax expense		(10.4)	(46.9)
Profit after tax from continuing operations		93.0	137.1
Discontinued Operation			
Profit after tax from discontinued operation		-	218.2
Profit after income tax		93.0	355.3
Attributable to:			
Minority interest		21.0	5.8
Members of the parent entity		72.0	349.5
		93.0	355.3
Earnings per share (EPS) (cents per share)			
	4		
- Basic EPS for profit for the year attributable to ordinary equity holders of the parent		21.5	105.3
- Basic EPS for profit from continuing operations attributable to ordinary equity holders of the parent		21.5	39.6
- Diluted EPS for profit for the year attributable to ordinary equity holders of the parent		21.4	104.5
- Diluted EPS from continuing operations attributable to ordinary equity holders of the parent.		21.4	39.2
Dividend per share (cents per share)	3	5.0	5.0

The income statement is to be read in conjunction with the discussion and analysis and accompanying notes to the financial statements.



**BALANCE SHEET
AT 30 JUNE 2007**

	Consolidated	
	2007	2006
	\$M	\$M
CURRENT ASSETS		
Cash and cash equivalents	34.3	153.0
Trade and other receivables	298.9	245.1
Inventories	163.4	178.2
Financial derivative assets	386.2	35.1
Tax receivable	4.1	16.2
Other	99.4	24.6
Total Current Assets	986.3	652.2
NON-CURRENT ASSETS		
Other receivables	9.1	9.4
Inventories	1.6	1.8
Property, plant and equipment	1,472.0	1,434.2
Exploration, evaluation and development	1,351.9	1,241.3
Deferred tax asset	514.8	638.3
Other	286.9	280.2
Total Non-Current Assets	3,636.3	3,605.2
TOTAL ASSETS	4,622.6	4,257.4
CURRENT LIABILITIES		
Trade and other payables	216.4	233.5
Interest bearing loans and borrowings	35.0	65.4
Financial derivatives and other financial liabilities	500.8	634.6
Income tax payable	4.8	0.5
Provisions	32.3	30.5
Total Current Liabilities	789.3	964.5
NON-CURRENT LIABILITIES		
Interest bearing loans and borrowings	1,318.9	1,564.3
Financial derivatives and other financial liabilities	1,060.1	1,192.3
Deferred tax liabilities	396.7	267.5
Provisions	47.9	32.2
Other	68.9	75.9
Total Non-Current Liabilities	2,892.5	3,132.2
TOTAL LIABILITIES	3,681.8	4,096.7
NET ASSETS	940.8	160.7
EQUITY		
Issued capital	834.5	819.0
Retained earnings	711.5	656.2
Reserves	(626.7)	(1,327.4)
Parent Entity Interest	919.3	147.8
Minority Interest	21.5	12.9
TOTAL EQUITY	940.8	160.7

The Balance Sheet is to be read in conjunction with the discussion and analysis.

NEWCREST MINING LIMITED



Appendix 4E for the Full-Year Ended 30 June 2007

STATEMENT OF CHANGES IN EQUITY AS AT 30 JUNE 2007

	Consolidated						MINORITY INTEREST	TOTAL EQUITY
	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT					Total		
	Issued Capital	Foreign Currency Translation Reserve	Hedge Reserve	Equity Settlements Reserve	Retained Earnings			
\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	
Balance at 1 July 2005 *	802.4	(3.3)	(437.3)	4.5	323.3	689.6	9.0	698.6
Deferred FX loss on hedge of USD borrowings	-	-	(34.0)	-	-	(34.0)	-	(34.0)
Deferred (loss) on cash flow hedges	-	-	(1,236.7)	-	-	(1,236.7)	-	(1,236.7)
Foreign currency translation	-	1.9	-	-	-	1.9	0.4	2.3
Deferred tax on items taken directly to equity	-	(0.6)	374.0	-	-	373.4	(0.1)	373.3
Total income/(expense) recognised directly in equity	-	1.3	(896.7)	-	-	(895.4)	0.3	(895.1)
Net profit for the year	-	-	-	-	349.5	349.5	5.8	355.3
Total recognised income/(expense) for the year	-	1.3	(896.7)	-	349.5	(545.9)	6.1	(539.8)
Share-based payments	-	-	-	4.1	-	4.1	-	4.1
Exercise of options	13.4	-	-	-	-	13.4	-	13.4
Shares issued under the Dividend Reinvestment Plan	3.2	-	-	-	-	3.2	-	3.2
Dividend paid	-	-	-	-	(16.6)	(16.6)	(2.2)	(18.8)
Balance at 30 June 2006	819.0	(2.0)	(1,334.0)	8.6	656.2	147.8	12.9	160.7
Balance at 1 July 2006	819.0	(2.0)	(1,334.0)	8.6	656.2	147.8	12.9	160.7
Deferred FX gain on hedge of USD borrowings	-	-	177.4	-	-	177.4	-	177.4
Deferred gain on cash flow hedges	-	-	820.2	-	-	820.2	-	820.2
Foreign currency translation	-	(12.3)	-	-	-	(12.3)	(2.4)	(14.7)
Deferred tax on items taken directly to equity	-	3.7	(293.8)	-	-	(290.1)	0.7	(289.4)
Total income/(expense) recognised directly in equity	-	(8.6)	703.8	-	-	695.2	(1.7)	693.5
Net profit for the year	-	-	-	-	72.0	72.0	21.0	93.0
Total recognised income/(expense) for the year	-	(8.6)	703.8	-	72.0	767.2	19.3	786.5
Share-based payments	-	-	-	5.5	-	5.5	-	5.5
Exercise of options	12.7	-	-	-	-	12.7	-	12.7
Shares issued	2.8	-	-	-	-	2.8	0.6	3.4
Dividends paid	-	-	-	-	(16.7)	(16.7)	(11.3)	(28.0)
Balance at 30 June 2007	834.5	(10.6)	(630.2)	14.1	711.5	919.3	21.5	940.8

The Consolidated Entity has applied AASB 132 and AASB 139 from 1 July 2006 which resulted in (\$432.0M) being initially recognised in equity.
The above consolidated statement of changes in equity should be read in conjunction with the discussion and analysis.



**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2007**

	Consolidated	
	2007	2006
	\$M	\$M
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	1,709.9	1,384.8
Payments to suppliers and employees	(1,223.8)	(1,038.6)
Interest received	4.5	4.6
Interest paid	(81.2)	(56.8)
Income taxes (paid)/refunded	(22.0)	(30.2)
Net cash provided by operating activities	387.4	263.8
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(116.7)	(105.6)
Proceeds from sale of non-current assets	0.7	3.2
Exploration and evaluation expenditure	(59.9)	(57.0)
Payments in respect of mine development	(154.9)	(28.6)
Payments in respect of mines under construction	-	(295.7)
Feasibility expenditure	(56.9)	(45.4)
Interest capitalised to development projects	(12.3)	(12.6)
Cash received on disposal of interest in joint venture	-	224.6
Net cash (used in) investing activities	(400.0)	(317.1)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings:		
o USD Bilateral debt	393.7	525.2
o Loan from minority interest	0.3	6.2
Repayment of borrowings:		
o Bank loan	-	(78.5)
o USD 364 day loan	-	(165.0)
o USD loan	(41.6)	(23.6)
o Gold loan	(33.5)	(33.3)
o Loan from minority interest	(5.7)	-
o USD Bilateral debt	(402.0)	-
Repayment of finance lease principal	(4.5)	(87.3)
Proceeds from share issues	12.7	13.4
Dividends paid	(24.6)	(15.5)
Net cash (used in) / provided by financing activities	(105.2)	141.6
Net increase/(decrease) in cash and cash equivalents	(117.8)	88.3
Cash and cash equivalents at the beginning of the financial year	153.0	64.6
Effects of exchange rates to changes on cash held	(0.9)	0.1
Cash and cash equivalents at the end of the financial year	34.3	153.0

The statement of cash flows is to be read in conjunction with the discussion and analysis.



NOTES TO THE ADDITIONAL FINANCIAL INFORMATION

NOTE 1 ACCOUNTING POLICIES

The additional financial information has been derived from the Consolidated Entity's full Financial Report for the financial year. Information included in the additional financial information is consistent with the Consolidated Entity's full financial report, and is presented in Australian dollars.

A full description of the accounting policies adopted by the Consolidated Entity may be found in the Consolidated Entity's full Financial Report. These accounting policies have been consistently applied by each entity in the Consolidated Entity.

The full financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The consolidated financial statements of the Group also complies with International Financial Reporting Standards ('IFRSs') including interpretations adopted by the International Accounting Standards Board.

NOTE 2 REVENUE AND EXPENSES

	Consolidated	
	2007	2006
	\$M	\$M
Specific items		
Profit before income tax expense includes the following revenues, income and expenses whose disclosure is relevant in explaining performance of the Consolidated Entity:		
2.(a) Sales revenue		
Gold	1,110.4	845.4
Copper	573.0	515.2
Silver	20.8	14.1
Concentrate adjustments from prior year sales	1.9	29.4
Total operating sales revenue	1,706.1	1,404.1
Losses on restructured hedges	(151.1)	(11.0)
Total sales revenue	1,555.0	1,393.1



NOTE 2 REVENUE AND EXPENSES (CONTINUED)

	Consolidated	
	2007	2006
	\$M	\$M
2.(b) Other revenue		
Interest from other persons	4.5	4.6
Joint venture management fees	1.5	1.2
	6.0	5.8
2. (c) Other income		
Profit on sale of non-current assets	0.3	-
Net foreign exchange gain	-	5.6
Royalty refund (1)	12.3	-
Fair value adjustment on gold lease rate swaps	1.6	27.8
Fair value adjustment on 'copper sales' forward exchange contracts (2)	2.7	-
Other	-	9.1
Total other income	16.9	42.5
Sales of assets:		
Sales of assets have given rise to the following profits/(losses):		
Proceeds from sale of plant and equipment	0.7	3.2
Carrying value of plant and equipment sold	(0.4)	(4.8)
Profit/(loss) on sale of plant and equipment	0.3	(1.6)
 (1) The refund received during the year related to the prior year royalties paid. The refund was due to a change in the calculation basis for royalty payments which now includes the impact of hedging.		
(2) Fair value adjustment on copper forward sales contracts.		
Expenses		
2. (d) Depreciation and amortisation:		
Depreciation of:		
Property, plant and equipment	137.7	114.6
Plant and equipment under finance leases	3.1	6.2
Amortisation of:		
Mine development	81.5	66.0
Add/(Less): capitalised to inventory on hand	2.1	(0.2)
Depreciation and amortisation expense	224.4	186.6
2. (e) Employee benefits expense		
Defined benefit plans expense	(0.5)	(0.4)
Equity settled share-based compensation payments	5.5	4.1
Termination benefits expense	5.9	7.9
Defined contribution plan expense	15.4	14.6
Other employment benefits	138.8	126.0
	165.1	152.2



NOTE 2 REVENUE AND EXPENSES (CONTINUED)

	Consolidated	
	2007	2006
	\$M	\$M
2. (f) Finance costs:		
Interest Costs:		
Interest on loans	89.9	82.8
Finance leases	0.5	4.7
Other:		
Borrowing costs	2.7	1.1
Unwind of rehabilitation provision discount	3.6	1.2
	96.7	89.8
Less: capitalised borrowing costs	(12.3)	(14.4)
Total finance costs expended	84.4	75.4
2. (g) Other items:		
Operating lease rentals	4.7	5.6
Government royalties	49.5	58.4
Research and development expenditure	-	0.2
Stores obsolescence	0.3	0.2
2. (h) Hedge restructure		
Net impact on profit, revenue and expenses from hedge restructure:		
Release of losses relating to restructured hedges	158.0	-
(Gains)/losses from prior period hedge contract restructures	(6.9)	11.0
Total losses recorded in sales revenue	151.1	11.0
Finance costs – unwind of discount relating to hedge restructure	23.9	-
Net profit impact before tax	175.0	11.0
Applicable income tax (benefit)	(52.5)	(3.3)
Total net impact on profit after tax from hedge restructures	122.5	7.7



NOTE 3 DIVIDENDS PAID AND PROPOSED

	<u>Cents per share</u>	<u>Total amount \$M</u>	<u>Franked/ unfranked</u>	<u>Date of payment</u>
Dividends recognised in the current year by the Company are:				
2007 – Dividend paid during the year for the 30 June 2006 year				
Final – ordinary	5.0	<u>16.7</u>	Unfranked	13 Oct 2006
2006 – Dividend paid during the year for the 30 June 2005 year				
Final – ordinary	5.0	<u>16.6</u>	49% Franked	14 Oct 2005
Subsequent events				
Dividend proposed and not recognised as a liability:				
Since the end of the financial year, the Directors declared the following dividends:				
Final – ordinary	5.0	<u>16.8</u>	Unfranked	27 Sept 2007

Dividend franking account

	Consolidated	
	2007	2006
	\$M	\$M
Franking credit balance		
Franking credits available for the subsequent financial year are:		
Franking account balance as at the beginning of the financial year at 30% (2006: 30%)	1.2	2.9
Current year tax payment instalments and adjustments	(1.1)	1.8
Franked dividends paid	<u>-</u>	<u>(3.5)</u>
Franking account balance as at the end of the financial year	<u>0.1</u>	<u>1.2</u>



NOTE 4 EARNINGS PER SHARE (EPS)

	Consolidated	
	2007	2006
EPS (cents per share)		
Basic EPS	21.5	105.3
Diluted EPS	21.4	104.5
Basic EPS from continuing operations	21.5	39.6
Diluted EPS from continuing operations	21.4	39.2
Basic EPS from discontinued operation	-	65.7
Diluted EPS from discontinued operation	-	65.2

The following reflects the income and share data used in the calculations of basic and diluted EPS:

	Consolidated	
	2007	2006
	\$M	\$M
Profit after income tax from continuing operations attributable to equity holders of the parent	72.0	131.3
Profit after income tax from discontinued operation	-	218.2
Earnings attributable to ordinary equity holders of the parent used in calculating basic EPS	72.0	349.5

	No. of shares	No. of shares
Weighted average number of ordinary shares used in calculating basic EPS	334,188,763	331,868,645
Effect of dilutive securities:		
Share options	1,605,251	2,686,239
Adjusted weighted average number of ordinary shares used in calculating diluted EPS	335,794,014	334,554,884


NOTE 5 SEGMENT INFORMATION

The Consolidated Entity's primary segment reporting format is geographical segments as the Consolidated Entity's risk and rates of return are affected predominantly by the location of the mine sites. The operating businesses are organised and managed separately according to their location.

Geographical Segments (Primary Reporting Format based on location of mine sites)

2007	Cadia Valley Operations \$M	Gosowong ^(iv) \$M	Telfer ⁽ⁱⁱⁱ⁾ \$M	Boddington ⁽ⁱⁱ⁾ \$M	Cracow \$M	Group & Unallocated \$M	2007 Total \$M
External Sales revenue ⁽ⁱ⁾	1,013.4	295.4	764.2	-	69.0	(587.0)	1,555.0
Other revenue	-	-	-	-	-	6.0	6.0
Total segment revenue	1,013.4	295.4	764.2	-	69.0	(581.0)	1,561.0
Segment result ⁽ⁱ⁾	526.7	180.8	149.2	-	27.7	(781.0)	103.4
Income tax expense	-	-	-	-	-	(10.4)	(10.4)
Net profit	526.7	180.8	149.2	-	27.7	(791.4)	93.0
Segment assets	1,255.7	168.9	2,213.4	-	149.9	834.7	4,622.6
Segment liabilities	266.0	46.8	114.5	-	0.4	3,254.1	3,681.8
Other segment information							
Acquisition of segment assets	94.2	21.2	224.0	-	13.0	56.9	409.3
Depreciation and amortisation of segment assets	70.0	20.0	116.2	-	11.2	7.0	224.4

2006	Cadia Valley Operations \$M	Gosowong ^(iv) \$M	Telfer ⁽ⁱⁱⁱ⁾ \$M	Boddington ⁽ⁱⁱ⁾ Discontinued \$M	Cracow \$M	Group & Unallocated \$M	2006 Total \$M
External Sales revenue ⁽ⁱ⁾	1,026.0	127.3	754.6	-	55.5	(570.3)	1,393.1
Other revenue	-	-	-	-	-	5.8	5.8
Total segment revenue	1,026.0	127.3	754.6	-	55.5	(564.5)	1,398.9
Segment result ⁽ⁱ⁾	505.7	53.9	263.8	(0.2)	22.5	(439.2)	406.5
Income tax expense	-	-	-	-	-	(51.2)	(51.2)
Net profit	505.7	53.9	263.8	(0.2)	22.5	(490.4)	355.3
Segment assets	1,131.9	148.9	2,087.0	-	106.8	782.8	4,257.4
Segment liabilities	268.2	40.0	93.2	-	0.1	3,695.2	4,096.7
Other segment information							
Acquisition of segment assets	97.5	73.1	309.5	5.7	39.7	18.4	543.9
Depreciation and amortisation of segment assets	90.9	6.4	77.3	-	6.6	5.4	186.6

Notes:

- (i) Segment sales revenue and segment results by mine location includes gold and copper sales at unhedged prices. Mine results do not include allocation of hedging and interest costs.
- (ii) Operations at Boddington were suspended in November 2001 and the mine was placed on care and maintenance. On the 21 March 2006, Newcrest Mining sold its interest in the joint venture.
- (iii) Telfer underground operations commenced in November 2006.
- (iv) Gosowong consists of the Kencana underground which commenced operations in Q4 2006 and Toguraci open pit operation (prior year).



NOTE 5 SEGMENT INFORMATION (CONTINUED)

Geographical Segments (based on location of customers)

	Sales Revenue from External Customers	
	2007	2006
	\$M	\$M
Australia – Bullion	352.7	263.0
Other Asia – Bullion	295.3	127.3
Japan – Concentrate	934.7	992.2
Korea – Concentrate	262.6	283.9
Other Asia – Concentrate	259.9	172.9
Europe – Concentrate	32.8	121.7
Hedge losses included in revenue	(431.9)	(556.9)
Losses on restructured hedges	(151.1)	(11.0)
Total Sales Revenue	1,555.0	1,393.1

Business Segments (Secondary Reporting Format)

The Consolidated Entity operates predominately in one business segment being the gold mining industry and derives its revenue from the sale of gold and gold/copper concentrate.

NOTE 6 SUBSEQUENT EVENTS

On 17 August 2007, the directors of Newcrest Mining Limited declared a final unfranked dividend on ordinary shares in respect of the 2007 financial year. The total amount of the dividend is \$16.8 million, which represents an unfranked dividend of 5 cents per share. The dividend has not been provided for in the 30 June 2007 financial statements.

On 14 August 2007 Mr Tim Poole and Mr Rick Lee were each appointed as Non-Executive Directors of the Company. On the same date Dr Scheinkestel also advised of her intention to step down as Non-Executive Director, with effect from 31 August 2007.

There are no other matters or circumstances which have arisen since 30 June 2007 that have significantly affected or may significantly affect the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in subsequent financial years.

**Additional Information****Interest in Unincorporated Joint Venture Operation**

The Consolidated Entity has an interest in an unincorporated joint venture operation being the Cracow Mining Joint Venture (70%). The principal activity of the joint venture is the production of gold and mineral exploration. The Cracow Mining Joint Venture commenced production in December 2005. The joint venture is not material to the result during the financial year ended 30 June 2007.

Net Tangible Assets per Share (\$)

	30 June 2007	30 June 2006
Net tangible assets per share	\$2.81	\$0.48
Net tangible assets per share (excluding hedge reserve)	\$4.69	\$4.49

Control gained over entities having material effect

There have been no material acquisitions of entities in the year ended 30 June 2007.

Loss of control of entities having material effect

There were no material losses of control over entities in the group during the year ended 30 June 2007.

Audit report

The audit report issued in relation to the 2007 full Financial Report is attached.

Bernard Lavery
Company Secretary
17 August 2007

Independent auditor's report to the members of Newcrest Mining Limited

We have audited the accompanying financial report of Newcrest Mining Limited and the entities it controlled during the year, which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

The company has disclosed information about the remuneration of directors and executives ("remuneration disclosures"), as required by Accounting Standard AASB 124 Related Party Disclosures, under the heading "remuneration report" in the directors' report, as permitted by Corporations Regulation 2M.6.04. These remuneration disclosures are identified in the directors' report as being subject to audit.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2 (a) the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the consolidated financial statements and notes, comply with International Financial Reporting Standards. The directors are also responsible for the remuneration disclosures contained in the directors' report.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement and that the remuneration disclosures comply with Accounting Standard AASB 124 *Related Party Disclosures*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness

of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

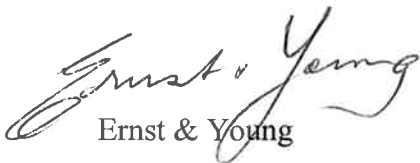
Independence

In conducting our audit we have met the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report. In addition to our audit of the financial report and the remuneration disclosures, we were engaged to undertake the services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

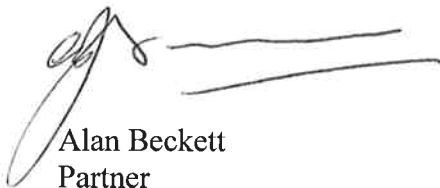
Auditor's Opinion

In our opinion:

1. the financial report of Newcrest Mining Limited is in accordance with:
 - (a) the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of Newcrest Mining Limited and the consolidated entity at 30 June 2007 and of their performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations); and
 - (b) other mandatory financial reporting requirements in Australia.
2. the consolidated financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2 (a).
3. the remuneration disclosures that are contained in the directors' report comply with Accounting Standard AASB 124 *Related Party Disclosures*.



Ernst & Young



Alan Beckett
Partner
Melbourne
17 August 2007