

**Preliminary Final Report – 30 June 2002****Material factors affecting the revenues and expenses of the economic entity for the period:**

Net loss attributable to shareholders for the year was \$53,033,000 compared to the previous corresponding period of a profit of \$38,154,000.

Major factors impacting the result for the current year are:

- The Ridgeway mine was officially opened on 19 April 2002. The facility, including underground crushing and conveying, is now fully commissioned and operating above name plate capacity. Total production for the year was 127,665 ounces of which 67,654 ounces were produced in the last quarter of financial year 2001/02 following full commissioning.
- Sales ounces were 646,418 (2001: 792,382 ounces). This decrease of 145,964 ounces was a result of:
  - the sale of New Celebration (86,498 ounces)
  - suspension of operations at Telfer (82,560 ounces) and Boddington (23,827 ounces)
  - lower grade at Cadia (35,621 ounces)
  - increase from the commissioning of Ridgeway, 71,668 ounces; and
  - increase at Gosowong of 10,874 ounces.
- Sales revenue fell 18 percent due to the reduction in production and a reduction in the achieved gold price from \$623 per ounce in FY2000/01 to \$559 per ounce in FY2001/02. The reduction in the achieved gold price was due to:
  - the gold hedge book delivered an outcome of \$665/oz (2001: \$707/oz). The decrease from the previous year was primarily due to the impact of contingent gold call options maturing at prices between \$500-\$520 an ounce;
  - the delivery of US\$119.6M of foreign exchange contracts that matured in the period at an average rate of 74¢ resulted in a foreign exchange loss of \$69.8M, equating to a loss of \$108/oz (2001: \$66.4M, \$84/oz).
- The adverse impact on earnings from the lower achieved gold price was partially offset by a \$37/oz reduction in the cash cost per ounce. The reduction in cash cost per ounce was due to the contribution from the commissioning of Ridgeway and additional copper by-product revenue. Copper production for the year was 40,055t (2001: 34,002t). The achieved copper price for the period was \$1.27/lb (2001: \$1.22/lb).
- Corporate administration expenditure was also reduced from the previous year by 32% due to the benefits from restructuring of the organization in FY2001.
- Lower net interest expense due to principal repayments on the gold loan and finance leases and an increase in the amount of debt associated with major capital projects. Interest capitalised in the year in relation to these projects was \$10.7M (2001: \$5.9M).
- Surplus foreign currency contracts in excess of anticipated net USD receipts have been provided for resulting in a provision of A\$79.1 million. The provision for surplus USD foreign currency contracts has been based on a mark to spot exchange rate at balance date of \$0.56 cents on US\$111 million surplus foreign exchange contracts in the financial year 2002/03 against the hedged rate of \$0.7476 cents and US\$61.0 million against the hedged rate of \$0.7570 cents in 2003/04. In addition a \$1.5M provision was made for surplus gold contracts.
- A series of hedging restructures involving gold, copper and gold lease rate contracts were undertaken during the year resulting in a total provision of \$25,000,000 recognised in the Statement of Financial Performance. These provisions will be brought to account as income in the future years that these contracts mature.

**Revenue and Expenses from Ordinary Activities included the following Significant Items  
(This is an extract from Note 2 in 2002 Full Financial Report)**

<b>Significant Items</b>	<b>Consolidated</b>	
	<b>2002 \$'000</b>	<b>2001 \$'000</b>
Provision for surplus foreign currency and gold contracts (i) (ii)	80,564	-
Provision for hedging contract restructures (iii), (iv), (v), (vi) and (vii)	25,000	2,000
Loss on sale of the New Celebration Mine	-	9,246
<b>Total Significant Items</b>	<b>105,564</b>	<b>11,246</b>
<p><b>Provision for Surplus Foreign Currency and Gold Contracts</b></p> <p>(i) The provision for surplus USD foreign currency contracts has been based on a mark to spot exchange rate at balance date of \$0.5634 cents on US\$111 million surplus foreign exchange contracts in the financial year 2002/03 against the hedged rate of \$0.7476 cents and US\$61 million against the hedged rate of \$0.7570 cents in 2003/04. The final outcome of these surplus contracts is dependent on the spot exchange rate at maturity of each contract. Included in the provision is \$2,764,000 write-off of upfront costs paid.</p> <p>(ii) A surplus of gold contracts over forecast gold production for the 2003 and 2004 financial years existed as at 30 June 2002. These contracts were valued on the basis of the average hedge price compared to the spot price at 30 June 2002. This resulted in an unrealised loss of \$1,500,000 to profit before tax for the year. The final outcome of these surplus contracts is dependent on the spot gold price at maturity of the gold contracts.</p> <p><b>Provision for Hedging Restructures</b></p> <p>This provision for hedging restructures represents the non-cash provision on a mark to market or mark to spot basis relating to restructuring hedge contracts. This amount will be brought to account as income in the future years when the restructured contracts mature. The amount comprises the following transactions:</p> <p>(iii) A non-cash expense of \$4,100,000 for novating US\$80,000,000 of foreign currency contracts from one counterparty to another counterparty. The cost of this transfer was paid for by restructuring existing gold contracts with the counterparty that the foreign exchange contracts have been novated to on terms less favourable than originally established. The restructure involved 500,000 ounces of gold convertible forward contracts at a strike price of \$665 per ounce in 2004/05-2005/06 which were restructured into convertible put options at a strike price of \$633 per ounce in 2004/05-2008/09. (\$2,000,000 was provided in the prior year).</p> <p>(iv) \$7,700,000 provision related to the restructure of gold lease rate contracts. The gold lease rate payable in future years is dependent on the actual gold lease rates and gold prices prevailing at the lease rate roll over dates.</p> <p>(v) \$5,000,000 provision for the loss on restructured copper contracts calculated at the date of the restructure. This amount will be brought to account as income in the 2005/06 and 2006/07 financial years when the restructured contracts mature.</p> <p>(vi) \$6,700,000 provision for restructuring the foreign exchange rate "knock-in" barriers relating to copper contracts. This cost was funded by the restructure of 500,000 ounces of gold contracts. This amount will be brought to account as income in financial years 2005-2009 when the gold contracts mature.</p> <p>(vii) 30,000 ounces of forward contracts maturing in November 2001 were rolled into forward contracts maturing in 2005. The \$1,500,000 represents the unrealised loss at the date of redesignation. This amount will be brought to income in 2005.</p>		

**Income Tax (Item 1.6)**

The aggregate amount of income tax attributable to the operating profit/(loss) for the year differs from the amount of prima facie tax payable on the operating profit/(loss). The differences are reconciled as follows:

	<b>At end of Current Period</b>	<b>At end of Previous Period</b>
	<b>\$'000</b>	<b>\$'000</b>
Operating profit/(loss) from ordinary activities	(72,656)	51,976
Prima facie income tax expense/(benefit) at 30% (34% )	(21,797)	17,672
<b>Tax effect of permanent differences:</b>		
Overseas exploration	134	88
Non-deductible depreciation and amortisation	187	654
Non-deductible foreign exchange losses	3,182	-
Other non-deductable items	185	205
Non-assessable income	(55)	-
Research and development allowance	(1,875)	(1,700)
Withholding tax on dividend received	463	-
Net recognition of prior year tax losses and timing differences of an overseas controlled entity	552	(3,372)
Prior year deferred tax adjustment	(2,359)	(997)
Effect on provision for deferred income tax due to income tax rate changes	-	(463)
<b>Income tax expense (benefit) attributable to operating profit/(loss) before abnormal items</b>	<b>(21,383)</b>	<b>12,087</b>

**Other Current Assets (Item 4-6)**

	<b>At end of Current Period</b>	<b>In Last Annual Report</b>	<b>In Last Half- Year Report</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Prepayments	11,916	5,477	9,825
Deferred Mining	10,994	5,632	2,726
	22,910	11,109	12,551

**Preliminary Final Report – 30 June 2002****Other Non-Current Assets (Item 4-17)**

	<b>At end of Current Period</b>	<b>In Last Annual Report</b>	<b>In Last Half- Year Report</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Prepayments	6,257	5,895	7,223
Deferred Mining	133,046	101,711	138,421
Other Deferred Expenditure	179	214	189
Mine Leases	2,617	3,220	2,809
	142,099	111,040	148,642

**Other Cash Flows Related to Investing Activities (Item 7-16)**

	<b>At end of Current Period</b>	<b>Previous Corresponding Period</b>
	<b>\$'000</b>	<b>\$'000</b>
Exploration expenditure	(44,832)	(51,421)
Feasibility expenditure	(58,141)	(37,862)
Payments in respect of mines under construction	(193,506)	(93,639)
Payments in respect of mine development	(14,423)	(1,545)
Payments of research and development costs	(521)	(794)
	(311,423)	(185,261)

**Contingent Liabilities (Item 19.7)**

Companies in the Consolidated Entity are recipients of or defendants in certain claims, suits and complaints made, filed or pending. In the opinion of Directors all matters are of such a kind, or involve such amounts, as would not have a material effect on the financial position of the Consolidated Entity if disposed of unfavourably, or are at a stage which does not permit a reasonable evaluation of the likely outcome of the matter.

The Consolidated Entity has negotiated a number of indemnity guarantees with banks in favour of various government authorities and service providers. The total value of these guarantees at balance date was \$26,454,000 (2001: \$20,199,821).

During the year ended 30 June 1998 the Consolidated Entity granted put options over land to a number of land holders in the Orange area in New South Wales, which have various expiry dates. If exercised the Consolidated Entity would be required to purchase land subject to the put option agreements. No account has been taken of these options as at 30 June 2002 as there is no certainty of their exercise. The total value of unexpired land options at 30 June 2002 is \$2,960,000 (2001: \$2,960,000).

Under the terms of a Deed of Cross Guarantee, the Company has guaranteed any deficiency which might arise in relation to entities participating in the Deed on winding up of that entity.

The Consolidated Entity has a 22.22% interest in the Boddington Gold Mine Joint Venture. As at 30 June 2002 the Joint Venture has a contingent liability under a buy back provision applicable to employees in the Boddington area. On termination of employment, these employees can call upon the Joint Venture to purchase their homes at market value. As at 30 June 2002 the Consolidated Entity's share of the maximum liability is estimated at \$123,650 (2001: \$368,830).

## Segment Information

The segment information has been prepared in accordance with revised Accounting Standard AASB 1005 “Segment Reporting” and comparative information has been restated in accordance with the requirements of the revised standard.

### *Geographical Segments (Primary Reporting Format based on location of each mine site)*

2002	Cadia \$'000	Ridgeway \$'000	Gosowong \$'000	Telfer <sup>(iii)</sup> \$'000	Boddington <sup>(ii)</sup> \$'000	New <sup>(iv)</sup> Celebration \$'000	Group & Unallocated \$'000	2002 Total \$'000
Sales Revenue <sup>(i)</sup>	213,748	117,695	134,287	-	14,681	-	(744)	479,667
Other Revenue	864	-	-	81	352	-	2,105	3,402
Total Segment Revenue	214,612	117,695	134,287	81	15,033	-	1,361	483,069
Segment Result <sup>(i)</sup>	18,433	31,629	32,502	-	4,436	-	(159,656)	(72,656)
Income Tax Expense								21,383
Net Profit/(Loss)								(51,273)
Segment Assets	613,200	431,800	35,000	211,400	8,900	-	75,689	1,375,989
Segment Liabilities	81,000	13,300	10,400	19,200	19,000	-	693,527	836,427
Acquisition of segment assets	25,734	149,928	1,085	57,343	53	-	679	234,822
Depreciation and amortisation of segment assets	38,741	16,715	42,788	-	1,574	-	1,697	101,515
Other non-cash expenses	6,542	706	1,707	-	1,016	-	4,360	14,331
Significant revenues or (expenses)	-	-	-	-	-	-	(105,564)	(105,564)

2001	Cadia \$'000	Ridgeway \$'000	Gosowong \$'000	Telfer <sup>(iii)</sup> \$'000	Boddington <sup>(ii)</sup> \$'000	New <sup>(iv)</sup> Celebration \$'000	Group & Unallocated \$'000	2001 Total \$'000
Sales Revenue <sup>(i)</sup>	233,323	47,199	116,562	46,618	25,625	43,913	69,866	583,106
Other Revenue	-	-	-	8,894	-	-	46,395	55,289
Total Segment Revenue	233,323	47,199	116,562	55,512	25,625	43,913	116,261	638,395
Segment Result <sup>(i)</sup>	25,760	10,288	21,094	(4,686)	(1,280)	(3,723)	4,523	51,976
Income Tax Expense								(12,087)
Net Profit/(Loss)								39,889
Segment Assets	563,000	265,300	92,300	155,700	11,000	-	129,428	1,216,728
Segment Liabilities	82,200	44,500	17,700	24,900	21,300	-	577,929	768,529
Acquisition of segment assets	13,882	124,655	2,884	72,033	1,032	5,253	1,064	220,803
Depreciation and amortisation of segment assets	43,766	5,331	41,160	2,343	6,888	10,462	1,783	111,733
Other non-cash expenses	4,322	370	1,332	1,255	239	1,644	1,342	10,504
Significant revenues or (expenses)	-	-	-	-	-	-	(11,246)	(11,246)

**Segment Information (continued)**

- (i) Segment sales revenue and segment results by mine location includes gold and copper sales at spot 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.
- (iii) Operations at Telfer were suspended in September 2000 and this mine was placed on care and maintenance.
- (iv) The New Celebration mine was sold on 30 June 2001.

***Geographical Segments (based on location of customers)***

	Sales Revenue from External Customers	
	2002 \$'000	2001 \$'000
Australia - Bullion	66,997	231,401
Japan - Concentrate	265,424	201,047
Other Asia - Bullion	131,078	116,562
Other Asia - Concentrate	-	34,096
Europe – Concentrate	16,168	-
<b>Total</b>	<b>479,667</b>	<b>583,106</b>

***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.