

Director Independence

1.0 Independence Test

A director is independent who is not a member of management and is free of any business or other relationship that could materially interfere with the exercise of objective, unfettered and independent judgement.

2.0 Criteria for assessment of independence (materiality thresholds)

It is not practical to provide for all circumstances that will indicate a material relationship or potential conflict of interest. Accordingly the Board will consider all facts and circumstances.

Unless materiality is defined, materiality is a matter for Board determination in view of the facts and circumstances of the relationship having regard to the criteria listed below. Materiality will be considered from the perspective of the Newcrest Group, the organisations with which the director is affiliated and from the director's perspective. These materiality thresholds, if applied during the year, would be subject to disclosure in the Corporate Governance Statement.

The independence test may not be satisfied if any of the following relationships exist:

- 2.1 The director is a member of management of a Newcrest Group company or has been during the previous three years.
- 2.2 The director is a substantial shareholder of a Newcrest Group company or an officer or otherwise associated directly with a substantial shareholder of a Newcrest Group company. A substantial shareholder means the holder of more than 5% of the shares entitled to vote.
- 2.3 The director has been within the last three years an officer or principal of a material supplier, customer, professional service provider, adviser or consultant to the Newcrest Group, or an employee materially associated with the services provided. A director who is a non-executive director of a material supplier or customer with no other connection will not be considered to be affiliated in considering independence.
- 2.4 The director has a material contractual relationship with a Newcrest Group company, other than as a director.
- 2.5 The director has close family ties with a material professional adviser to the Newcrest Group or to a director or senior executive of the Company.

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2.6 The director has served on the Board for longer than ten years.

3.0 Operation of the test

Directors will update the Board upon appointment and with new information or changes in relation to relationships and potential conflicts of interest.

Peter Larsen
Company Secretary
Newcrest Mining Limited

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