



Media Release

Newcrest Mining Limited

7 June 2013

Newcrest confirms strategy to focus on cash over growth

Newcrest Mining Limited today announced reconfirmation of its focus on cash flow by delivering the ramp-ups at its two major lower cost assets (Lihir and Cadia Valley) and on overall cost and capital reduction. Newcrest Managing Director and Chief Executive Officer, Greg Robinson, said the Company's overarching strategy remained in place.

"Our focus on gold, long life, low cost operations mainly in Australia and the Asia Pacific region remains firmly in place. The decisions today represent an acceleration of our cost and capital reductions that have been in action over the last 12 months," Mr Robinson said. "The Newcrest Board and Management have completed a substantial review of the business for the 2014 financial year, taking into account the large fall in gold prices, the continued high exchange rate and cost environment."

The key actions linked to this review are as follows:

- Reduction in 2014 financial year capital expenditure from a planned \$1.5 billion down to approximately \$1 billion
- An expected write down in asset carrying values in the range of \$5 to \$6 billion
- The elimination of high cost ounces from the production profile
- A shift to stockpile utilisation at Lihir
- Significant cost reduction programs across the Company, including the rationalisation of our corporate and support functions with the Brisbane office to close at the end of September
- Reduction in spending in a number of areas including projects, studies and exploration.
- Withholding payment of a final dividend in relation to the 2013 financial year so as to allow the Company to maintain a strong balance sheet and continued investment in the high return Cadia East Panel Cave 2 development.

Mr Robinson said this strategy would place Newcrest in a strong position in the current challenging economic environment.

Newcrest Chairman, Don Mercer, said there had been a significant change in the price of gold, gold equities and other market factors since the start of this calendar year. "The Board believes today's announcement shows that Newcrest is responding decisively to this context to ensure cashflow is maximised should prices remain at this level or lower, whilst at the same time preserving all options to respond should conditions improve. The Board is fully supportive of Management and their planned actions."

For further information, please contact:

Media Enquiries

Kerrina Watson

T: +61 3 9522 5593

E: kerrina.watson@newcrest.com.au

This information is available on our website at www.newcrest.com.au