

Australian Taxes Paid 2016



Newcrest (ASX: NML) is one of the world's largest gold mining companies, which in 2016 owned and operated a portfolio of mines in Australia, Papua New Guinea, Indonesia, and Cote d'Ivoire, as well as a pipeline of brownfield and greenfield exploration projects. During the 2016 financial year (FY2016) Newcrest had a global workforce of over 12,000 (including contractors).

Newcrest is proud of the economic, fiscal and social contribution it makes to the communities and countries in which it operates. Included in this Tax Fact Sheet are the Federal and State taxes it pays in relation to its Australian operations.

Newcrest acknowledges the release by the Australian Taxation Office in December 2017 of corporate income tax information for Newcrest and other corporate tax payers, and the important role that tax transparency plays in improving both community confidence in the tax system and the environment for tax reform. As Newcrest is a voluntary signatory to Australia's Tax Transparency Code, Newcrest annually releases a [Tax Contribution Report](#), [Taxes Paid Report](#) and also discloses its tax and other economic and social contributions in its annual [Sustainability Report](#). These are available on our corporate website. Newcrest reports in US dollars unless otherwise specified.

Australian operations

The Australian operations of Newcrest are comprised of the Telfer mine (in Western Australia), the Cadia mine (in New South Wales) and corporate head office in Melbourne. Newcrest also manages a portfolio of brownfield and greenfield exploration projects in Australia. The Australian mines sell their production directly to third-party customers.

During FY2016 Newcrest employed over 1,400 employees and over 1,300 contractors in its Australian operations. Newcrest paid more than A\$272 million to direct employees and spent over A\$1.3 billion on suppliers (including contractors).

Tax and royalty contribution

Corporate income tax

In FY2016, Newcrest's Australian operations recorded an accounting profit before tax of A\$980.4 million. Newcrest's Australian operations generated taxable income of A\$426.2 million which was reduced through the application of carry-forward tax losses¹ and foreign tax credits. As a result, Newcrest's tax payable in relation to the 30 June 2016 financial year was A\$13 million (which was paid in February 2017).

Mining royalties

In FY2016 Newcrest paid mining royalties in Western Australia

(A\$22.9 million) and New South Wales (A\$34.3million) totalling A\$57.2 million.

Employee taxes

Newcrest is required to withhold taxes from salaries of its employees and is also liable for payroll tax in New South Wales, Western Australia, Queensland and Victoria. In all, Newcrest paid employee taxes of A\$103 million in FY2016.

Other taxes and levies

In FY2016, Newcrest paid Fringe Benefit Tax, Customs Duty, Carbon Tax and other State and local taxes and levies of A\$10 million.

Taxation contribution summary

A summary of Newcrest's contribution in relation to FY2016 is as follows:

	Corporate income tax	Royalties	Employee Taxes	Other Taxes & Levies	Total
Federal Government	Corporate tax liability of A\$13m was settled in FY2017 on lodgement of its 2016 income tax return.	N/A	A\$87.3m	A\$0.8m	A\$88.1m
State Governments	N/A	A\$57.2m	A\$16.0m	A\$3.7m	A\$76.9m
Other	N/A	N/A	N/A	A\$6.0m	A\$6.0m
Total	N/A	A\$57.2m	A\$103.3m	A\$10.5m	A\$171.0m

¹ Whilst the Newcrest Australian tax consolidated group has a pool of carry-forward tax losses, the rate of utilisation of these tax losses to offset future taxable income is low due to the application of Australian tax law.