Market Release

Newcrest Mining Limited

17 August 2009

Mineral Resource & Ore Reserve Explanatory Notes 2009

These notes are intended to provide additional information in support of the 2009 Resources and Reserves Statement released 17 August, 2009.

Key points are;

- Ore Reserves are the economically mineable part of Measured and/or Indicated Resources and include diluting materials and allowance for losses which may occur. Ore Reserves are quoted as a subset of Mineral Resources.
- Independent external and internal reviews were conducted on all estimates.
- Metal price assumptions for Ore Reserves are US$650 per ounce of gold ($550 in 2008) and US$1.70 per pound of copper ($1.50 in 2008).
- Metal price assumptions for Mineral Resources are US$700 per ounce of gold ($600 in 2008) and US$2.00 per pound of copper ($1.70 in 2008).
- Where appropriate Mineral Resources are constrained spatially either within a notional US$1000 per ounce of gold and $4.00 per pound of copper pit shell, or within an underground mining shape based on a marginal cut-off. This is intended as a conservative measure to remove outliers.
- Mineral Resources and Ore Reserves for assets in PNG are based on a Competent Persons statement provided by on behalf of the Morobe Mining Joint Venture (MMJV) by our 50% partners Harmony Gold Mining Company Limited. These include gold and silver resources and reserves for Hidden Valley and Hamata; and gold, copper and molybdenum resources and reserves for Wafi-Golpu. The latter includes a new Mineral Resource estimate for Nambonga. Metal prices assumptions used by the MMJV to convert Mineral Resources to Ore Reserves are unchanged from last year and are US$750/oz for gold, US$2.40/lb for copper and US$20/lb molybdenum. Further details on MMJV Mineral Resources and Ore Reserves are available on the Harmony website www.harmony.co.za .

1. CADIA PROVINCE (NSW)

The 100% Newcrest owned Cadia Valley Operations are located south of Orange in the central west of New South Wales. Mining commenced in 1998 with a large-scale open pit at Cadia Hill, followed by development of a bulk tonnage underground mine at Ridgeway. The porphyry-related deposits within CVO host gold and copper. Minor molybdenum and silver mineralisation is also present. Metal is produced either as a gold rich copper concentrate or as gold dore . Concentrate is piped to a filter plant at the nearby town of Blayney before transport by rail to Port Kembla for export to international customers.

1.1 Cadia Hill Open Pit

The Cadia Hill Gold Mine has been in production since June 1998 as a large open pit. The mine supplies the concentrator with approximately 17 million tonnes of ore annually. Mining is on 15 metre benches using a conventional shovel and truck approach. The concentrator recovers copper as flotation concentrate with a gold credit and gold dore by gravity separation.

Mineral Resource

Cadia Hill is a porphyry related sheeted vein deposit hosted by Ordovician intrusive with minor volcanic rocks. The Mineral Resource was re-estimated in 2009 using a combination of Multiple Indicator Kriging and Ordinary Kriging based on extensive diamond drilling on a notional 50 by 50 metre grid as well as a wealth of grade control and mapping data from ten years of production knowledge.

The Mineral Resource model is based on a notional shell with input prices as discussed above and assuming current long term mining cost assumptions. Material changes during the year include the increase in metal price assumptions, adjustments from the revised model, and mining depletion. The net result is an increase in Mineral Resources tonnage by 9.0 million tonnes but with a decrease in contained gold by 0.4 million ounces and copper by 0.02 million tonnes compared to 2008. Mill production for the period was 17.2 million tonnes containing 0.4 million ounces of gold and 0.03 million tonnes of copper.

Ore Reserve

The June 2009 Ore Reserve is derived from the 2009 resource model generated for the Mineral Resource estimate. As with the Mineral Resource the new model has increased Ore Reserve tonnage yet slightly reduced overall copper and gold grades in line with long term production experience. The Ore Reserve estimate is assessed against a profit cut off. The profit calculation takes account of metallurgical recoveries and concentrator, site administration and realisation costs. In order to be classified as Ore Reserve material must have a profit value of greater than zero and must also be scheduled for milling in the life of mine plan.

The Ore Reserve estimate was carried out using Whittle Four-X pit optimisation software to select the optimum pit shell for design purposes. After selection of the most suitable pit shell, the final pit extent was designed and then a number of pit cut-back stages were designed and scheduled to enhance net present value. The optimisation of net present value results in stockpiling of low grade mineralisation. This material is subject to oxidisation effects that, over time, reduce metallurgical recovery. Stockpiled material that has insufficient value to cover rehandling, processing and realisation costs is excluded from the Ore Reserve.

The current mine design uses a total of 4 cutbacks designed over the life of the mine. Current mining occurs in cutback 3 while cutback 4 is designed to be mined at in the future. Material impacts on the Ore Reserve estimate include mining depletion, an increase to the final pit shell size, metal price increases, resource model revision, cost reviews and material-type reclassifications. The net result is a decrease in the Ore Reserve by 1.2 million tonnes and 0.2 million ounces of gold and 0.02 million tonnes of copper.

1.2 Cadia Extended

The Cadia Extended gold/copper mineralisation is located on the north-west limits of the Cadia Hill Gold Mine and has similar characteristics as a large low grade porphyry style deposit. An Ore Reserve was

mined by an open pit from 2003 followed by back-filling of the pit during 2006-7. The deposit is considered to have bulk underground mining potential.

Mineral Resource

The Mineral Resource has been updated with new drill hole data and re-evaluation of the remnant resource with revised mining assumptions and metal prices. Mineral Resource domain and estimation parameters remain unchanged from last year although deeper drilling has tested depth extent. A net increase in the Mineral Resource of 14.7 million tonnes and 0.2 million ounces of gold and 0.03 million tonnes of copper is estimated this year. Mineral Resource categories are upgraded from Inferred to Indicated based on new drilling data, and demonstrated continuity of grade supports the expected employment of bulk mining methods. The resource is spatially constrained within a notional block cave shape defined by a $12.50 per tonne cut-off assumption.

Ore Reserve

No Ore Reserve is currently reported for Cadia Extended.

1.3 Cadia Stockpiles

Stockpiles are reported with the Cadia Hill Mineral Resource and Ore Reserve and consist of ore mined from Cadia Hill and previously mined from the Cadia Extended pit inventory. The grades are based on grade control data, which determines grade and other rock characteristics hence stockpiles are considered Measured Resources and Proved Reserves.

Metallurgical test-work indicates attenuation of recoveries may occur in the stockpiles. A 5% write down of ore tonnes is included for material delivered before the start of the 2006-7 financial year to account for this attenuation and anticipated ore loss in long term stockpiles. The current mine plan reclaims most of the ore delivered during 2006-7 year within two years and no ore loss is anticipated on this material**.** All short term stockpiles are included as reported by the grade control estimate without attenuation losses.

Mineral Resources in stockpiles are estimated to be 53 million tonnes at 0.39g/t gold and 0.22% Cu. Stockpiles classified as Ore Reserves total 16 million tonnes at 0.41g/t Au and 0.13% Cu.

1.4 Ridgeway Underground

The upper part of the Ridgeway deposit is mined using sub-level cave (SLC) extraction. Construction of a block cave mine located below the existing SLC mine to extract a lower part of the deposit underway. A second block cave lift located below Lift 1 is also considered. Ridgeway supplies approximately 6 million tonnes of gold-copper ore annually to the concentrator. Gold is produced with the copper concentrate and as dore from gravity. The transition between extraction methods is currently taking place and scheduled for completion in 2009.

Mineral Resource

The Ridgeway Mineral Resource model was updated for this estimate in 2009 using additional drilling data in the lower section of the deposit. A geological model for major lithological and structural boundaries has been constructed based on drill-hole data and knowledge gained from underground exposure and mining experience. Gold and copper grade, mineralized quartz content and copper mineralogy, are used to control grade interpolation in the estimate. Gold and copper grades are

predominantly derived from 2 metre diamond drill-hole samples (composited over 4 m intervals). The grades for each domain were interpolated separately using Ordinary Kriging.

The Ridgeway Mineral Resource is reported on an estimated 'value' basis incorporating revised metal prices and reflecting the cost structure anticipated in long term planning models. In line with the previous estimate, the 2009 Mineral Resource is constrained within a conceptual block-cave (BC) shell defined using the updated value calculation parameters. Changes to the value calculation include standardised mining unit costs; modified recoveries reflecting optimal mill performance; and updated concentrate handling and consumables charges. The largest contribution to the changes has been the standardisation of the mining and on-site cost component of the value cut-off. These cut-offs are $12.50/t for both the SLC and for the BC Lifts 1 and 2 and are in line with the Ridgeway Deeps Project Feasibility Study. Additional material impacts on the estimate include; the depletion of the model through SLC and cave Lift 1 development mining. The net result is a decrease in Mineral Resources tonnage by 4.4 million tonnes accompanied by a decrease in contained gold by 0.3 million ounces and copper by 0.02 million tonnes compared to 2008.

Ore Reserve

The Ore Reserve for the Ridgeway has been prepared based on the most recent version of the Mineral Resource model (2009). The model has been further depleted for stocks mined up to 30th June 2009. As the SLC is nearing completion the bulk of the 2009 Ore Reserve represents Block Cave Lifts 1 and 2 which contain approximately 96% of Ore Reserve metal.

The Ore Reserve estimate is derived from a value model that considers the impact of metallurgical recovery and realization costs (concentrate transport, smelter and refining costs). The ore selection process involves evaluating the draw columns within the block cave layout to identify the trade offs between the optimal financial return and the geotechnical and mining parameters. For the Block Cave Ore Reserve the PCBC draw control estimation software is used. PCBC utilises 10m x 10m x 10m regularised blocks within the orebody to enable a representation of the dynamics of flow within the BC draw columns. This methodology was compared with other industry methods with all predicting results within 10%.

The material changes from the June 2008 report is the addition of a second lift (Lift 2) in the cave at depth, depletion from mining activities during the period, revision of the remnant grade in the SLC taking into account overdraw, and reductions made with the finalization of the footprint and mining cost assumptions. Production depletion of the reserve totalled 5.8 million tonnes containing 0.3 million ounces of gold and 0.03 million tonnes of copper. With additions, the net result is an increase in the reserve estimate of 24.1 million tonnes accompanied by a increase in contained gold by 0.4 million ounces and copper by 0.07 million tonnes compared to 2008.

1.5 Cadia East Underground

Cadia East is a giant low grade, porphyry related gold and copper deposit that is separated from Cadia Hill by a major thrust fault (The Gibb Fault). The mineralisation is hosted within the Late Ordovician Forest Reefs Volcanics and co-genetic monzonite intrusives. To date, the known mineralized system (defined by a 0.1% Cu shell) extends approximately 2.5 kilometres east-west, 0.7 kilometres north-south and 1.8 kilometres vertically.

The mineralisation can be divided into two broad overlapping zones; an upper, copper-rich, disseminated zone and, a deeper gold-rich sheeted vein zone proximal to the interpreted monzonite. The upper, copper-rich portion of the deposit is stratigraphically controlled within a volcaniclastic unit. Sulphide

mineralisation is predominantly chalcopyrite, with lesser bornite and pyrite. Gold grade increases as disseminated chalcopyrite levels decrease and disseminated and vein bornite levels increase. The deeper gold-rich zone is centred on a core of steeply dipping sheeted quartz-calcite-bornite-chalcopyrite veins. The highest gold grades are associated with bornite-rich veins. Molybdenite forms a mineralised blanket above and to the east of the higher grade gold envelope.

The proposed mining approach identified in the pre-feasibility study involves bulk underground extraction utilising panel caving methods. Currently 3 panel caving lifts are planned; Lift 0, Lift 1and Lift 2. The project is undergoing feasibility study until mid FY10. No production of the deposit has taken place although an exploration decline has been established which includes a bulk sample and diamond drill level drive with approximately 900 metres of across strike ore exposures.

Mineral Resource

The Cadia East Mineral Resource has been updated with the inclusion of additional drilling (>50,000m) and data collected from underground mining. The Mineral Resource is reported within an economic outline from a value model which reflects the proposed bulk underground mining method. The value model is based on a net smelter return (NSR) estimate per block which is calculated on a recoverable payable basis, taking gold, copper, silver, and molybdenum, metallurgical recoveries, prices and realisation costs into account. In places the value shell has been expanded to encompass the conceptual cave limits for each lift and the entire content inside the value shell is reported as Mineral Resource. Mineral Resource categorisation is based on an assessment of grade and geological continuity and data coverage inside the value shell. The NSR value used to generate the Mineral Resource shell is AU$12/tonne based on pre-feasibility level mining studies and the selection of a panel caving methodology for the Feasibility Study.

The updated Mineral Resource estimate utilises all previous drilling on the Cadia East deposit that dates back to its discovery in 1994. The model has been estimated by Ordinary Kriging within a series of geological and grade constrained domains for gold, copper and molybdenum. The classification of the Mineral Resource is based upon a combination of the density of drilling and geological continuity of domains for gold and copper. The approximate drill density of the Indicated Resource is 80 metres on 50 metre spaced sections along strike.

Material changes to the Mineral Resource include additional drill data particularly at depth in the deposit leading to significant upgrade of Inferred Resource to Indicated Resource plus additional Inferred Resource, the impacts of increased metal prices, and the revision in the Mineral Resource value shell from AU$9/tonne in 2008 to AU$12/tonne.

The net result is an increase in Mineral Resources tonnage by 514 million tonnes accompanied by an increase in contained gold by 5.2 million ounces and copper by 1.02 million tonnes compared to 2008 estimates. Around 7.3 million ounces of gold and 1.27 million tonnes of copper have been upgraded to Indicated Resource while around 0.8 million ounces of gold and 0.14 million tonnes of copper have been added to Inferred Resource over the year.

Ore Reserve

The Cadia East Ore Reserve estimate is based on pre-feasibility level mining studies and selection of a panel caving methodology. Panel and block caving methodologies are well established internationally for extraction of copper porphyry systems similar to Cadia East. Newcrest has undertaken specific studies and reviewed all relevant panel/block caves around the world to compare rock mass characteristics and caving outcomes. Newcrest also has a body of work that supports the design of a panel cave mine at the envisaged scale, dimensions and extraction rates. Access to the deposit has been established via a decline

from surface and a bulk sample and exploration drilling drive has been established across the width of the deposit at a depth of 700 metres below surface. A second Exploration Decline is being developed along with ventilation infrastructure located on the Western side of the deposit.

The Cadia East Ore Reserve is reported using a AU$14/t Site Cut-Off Cost based on pre-feasibility level mining studies. This cost compares with an AU$11/t cost for Lift 0 and 1, and AU$9/t cost for Lift 2 applied for Ore Reserves estimations in 2008. This cost covers all site costs including mining, processing & overheads after allowing for metal recovery and the deduction of transport, smelter, and refining and NSW royalty charges. The respective draw shut off was used to define the vertical draw limits within a 400m physical draw height limit. Established caving draw models have been used to estimate specific dilution impacts on a draw envelope by draw envelope approach. Infrastructure requirements are based on recent Australian and international caving projects.

Cadia East ore is planned to be treated through the existing plant currently treating Cadia Hill ores. The estimate incorporates metallurgical recovery formulae derived from specific metallurgical test work at Cadia East and processing knowledge from treating similar Cadia Hill ores.

Capital and operating costs are based on Newcrest's direct experience at Ridgeway, Ridgeway Deeps, Telfer and detailed external benchmarking. Operating costs are well within industry practice. The Probable Reserve includes Indicated Resources only. The Ore Reserve is within in the existing mining lease containing the Cadia Hill and Ridgeway operating mines. The draw column reserve estimate has been calculated using PC-BC, while Ore Reserves for development, undercutting and drawbell excavation is evaluated using In Situ tonnes and grade values from Mine2-4D mine planning software. Total mining tonnes are reported with only Indicated category mining blocks used to calculate contained metal and grades. The 2009 Ore Reserve is the first Ore Reserve for Cadia East that is estimated using the Gemcom PC-BC tool for cave flow modelling, grade prediction and production scheduling. Validation of the draw column reserve estimate using the previous method (Datamine macros) has been undertaken with an acceptable result.

Changes between the 2008 estimate and this estimate include the application of increased metal prices and higher mining costs, revision to the lift elevations for each lift, the increase of lift heights on lifts 1 and 2, data additions including Mineral Resource classification upgrades and Mineral Resource model extension at depth. The net result is an increase in Ore Reserve tonnage by 133 million tonnes accompanied by an increase in contained gold by 2.9 million ounces and copper by 0.47 million tonnes compared to 2008 estimates.

1.6 Big Cadia

The Big Cadia deposit is an area of historic workings located north of the Cadia Hill open pit and east of the Ridgeway Mine. Mineralisation is skarn style (altered calcareous sediments adjacent to porphyry systems) and has been evaluated as a Mineral Resource for future development by open pit mining with ore supplying the current or expanded Cadia processing facilities.

Mineral Resource

The Big Cadia Mineral Resource is reported on an estimated 'value' basis incorporating the forecast revenue streams from both recoverable gold and copper and reflecting the cost structure anticipated in long term planning models. The Mineral Resource is constrained within a mining shell and reported defined at corporate metal prices. The metal inventory is estimated from drill data from Newcrest Mining Ltd and previous explorers. Uncertainties over the quality of previous company data (some dating back to the 1960's) and the complex nature of skarn – related mineralisation results all Mineral Resources being classified as Inferred until the results of further drilling can be used. At the time of writing an infill

drilling program had been completed and interpretation work was in progress. The material impact on the estimate has been the increase in the metal prices used to calculate block values. The net result is an increase in Mineral Resource tonnage by 2.8 million tonnes accompanied by an increase in contained gold by 0.02 million ounces and copper by 0.01 million tonnes compared to 2008 estimates.

Ore Reserve

No Ore Reserve has been defined at Big Cadia to date.

2. TELFER PROVINCE (WA)

The 100% Newcrest owned Telfer Gold Mine is located within the Great Sandy Desert of Western Australia, approximately 485km by road south-east of Port Hedland and 680 km north-east of Newman. Gold and copper mineralisation in the Telfer Province is largely structurally controlled reefs, veins and stockwork hosted by sedimentary rocks of Proterozoic age. Deep weathering depleted the copper in the upper parts of the deposits allowing initial gold production between 1977 and 2000 to be processed using gravity and cyanide leaching processes. Ore processing facilities now exploit the large gold and copper sulphide Mineral Resources by flotation producing a gold rich copper concentrate and doré recovered from gravity and leaching circuits. Concentrate is exported to customers via Port Hedland.

2.1 Main Dome Open Pit

The Main Dome deposit is the largest in the Telfer area and occurs as a series of stacked stratabound reefs and discordant stockwork within a folded dome structure in the host sediments. The deposit has seen both open pit and selective underground mining in the past. Currently stockwork mineralisation is being mined by large scale selective open pit methods through historical underground workings along the high grade reefs.

Mineral Resources

As in previous reports, the Mineral Resource is reported on a ‘value’ basis incorporating forecast revenue streams from both gold and copper and reflecting the cost structure anticipated from long term planning models. The Mineral Resource is constrained within conceptual shell limits using metal prices from corporate guidelines. The 2009 Mineral Resource is estimated from the same grade model as that used for the 2008 report. Input sample data is from surface reverse circulation (RC), blasthole samples, surface and underground bulk sampling, development mapping and sampling and diamond drilling (in areas beyond the limitations of RC drilling methods). Grades of gold, copper, cyanide soluble copper, sulphur and other minor elements have been analyzed using either in-house or commercial assay laboratories. In-house personnel and consultants validate all data used. Extensive statistical and geostatistical analyses have been undertaken to determine the suitability of the estimation techniques and to provide appropriate inputs to the interpretation processes.

There is no change from the in-situ grade model used for the 2009 Mineral Resource from that reported in 2008 which uses a combination of reef and stockwork models with estimation by Ordinary Kriging. Material changes for the estimate include; the increase in input metal prices under corporate guidelines, revisions to the metal recovery model based on operational experience within the pit and processing plant, mining depletion for the past year and the transfer of a reef component (the M50 Reef) from the open pit resource to the underground due to revisions in mine planning.

The net result is an increase in Mineral Resource tonnage by 22.6 million tonnes accompanied by a decrease in contained gold by 0.4 million ounces and copper by 0.002 million tonnes compared to 2008

estimates. The reduction in contained metal is a function of mining depletion while tonnage increase is from metal price increases.

Ore Reserves

The Mineral Resource used to generate the Main Dome Ore Reserve is derived from the re-blocked Mineral Resource model described above. Re-blocking of the Mineral Resource model occurs to better reflect the selectivity of the mining process for both bulk and selective mining activities in the pit. The Mineral Resource has not changed from the model used for the June 2008 Ore Reserve estimate and is based on the use of conventional open pit mining methods. Processing and recovery rates have been assessed and increased, based on the latest experience from the concentrator which indicates that specific ore types can be treated at higher throughput rates than originally estimated.

The Main Dome Ore Reserve estimate is constrained within a final pit design based on detailed geotechnical assessment and practical mining considerations and depleted at 30th June 2009. Pit designs were developed from pit optimisation shells generated at metal price increments which provide a margin relative to the forecast long term metal prices. Ore Reserves are defined using a breakeven profit algorithm approach. The profit algorithm is a calculation of revenue less processing and realisation costs. A small proportion (approx 2.4%) of the Ore Reserve falls within a pit increment which is dependent upon the inclusion of Inferred Resources to meet the economic criteria for production. Newcrest has every expectation that this material will be tested by further drilling and or grade control sampling, and consequently some or all of this material may be converted to Proved or Probable Reserve. Copper grades and in situ copper tonnes only apply to those ore tonnes that are treated by some flotation methods through the concentrator (i.e. exclude dump leach). Gold grade and in situ ounces reflect the sum of both concentrator and dump leach ores.

Material impacts on the Ore Reserve estimate include; metal price increases and the addition of a low grade ore category under these increases, modification to the accounting methodology for material impinged by voids, removal of part of the M50 reef due to planned underground mining and normal mining depletion over the past year. The net result is an increase in Ore Reserve tonnage by 17.6 million tonnes but a decrease in contained metal by 0.2 million ounces of gold and 0.002 million tonnes of copper compared to the 2008 estimate. The reduction in contained metal is largely a function of mining depletion while tonnage increase is from metal price increases. Ore Reserve mining depletion over the year totalled 20.0 million tonnes for 0.54 million ounces of gold and 0.02 million tonnes of copper.

2.2 West Dome Open Pit

The West Dome deposit is located 2 kilometres northwest of the Main Dome deposit and is a continuation of the folded sedimentary sequence in a second sub-parallel structure. Mineralisation style is similar to Main Dome but with a lower overall grade. The historical pits at West Dome remain inactive. There is no history of underground mining at West Dome.

Mineral Resources

The West Dome Open Pit Mineral Resource is centred on identified mineralisation beneath the historical West Dome pits. The Mineral Resource is based on large scale open pit mining methods delivering to the current flotation; gravity and dump leach circuits as used for the adjacent Main Dome open pit operation. As in previous reports, the Mineral Resource is reported on a ‘value’ basis incorporating forecast revenue streams from both gold and copper and reflecting the cost structure anticipated from long term planning models. The Mineral Resource is constrained within conceptual shell limits.

The 2009 Mineral Resource is estimated from the same grade model as that used for the 2008 report. The West Dome Mineral Resource is based on sample data from surface reverse circulation (RC) and diamond drilling (in areas beyond the limitations of RC drilling methods). The grades of gold, copper, cyanide soluble copper, sulphur and other minor elements were analysed using either in-house or commercial assay laboratories. In-house personnel and consultants validated all data used. Data analysis and treatment for bias issues is similar to the Main Dome Mineral Resource as discussed above.

Material impacts on the Mineral Resource estimate include; increased metal prices and modified metal recovery models reflecting operational experience in the adjacent Main Dome pit applicable due to similarity of mineralisation. The net result is an increase in Mineral Resource tonnage by 26.4 million tonnes accompanied by an increase in contained gold by 0.1 million ounces and copper by 0.01 million tonnes compared to 2008 estimates. There are no stockpiles in the West Dome Mineral Resource.

Ore Reserves

The Mineral Resource used to generate the 2009 estimate has not changed from that used for the 2008 estimate. The West Dome Ore Reserve estimate is based on the assumption of extraction by means of conventional open pit bulk mining methods. Processing rates and recovery assumptions for West Dome are the same as those assumed for the Main Dome Open Pit Ore Reserve estimate. The estimate is constrained within pit designs based on best available geotechnical interpretation of the rock-mass, and practical mining considerations. These designs are developed from pit optimisation shells generated at updated metal prices which provide a margin relative to the forecast long term metal prices. Ore Reserve estimates are defined using a breakeven profit algorithm approach. The profit algorithm is a calculation of revenue less processing and realisation costs.

No mining has taken place in the West Dome Open pit since the last Ore Reserve estimate, and therefore no depletion has been affected. Within the pit designs there is a small amount of additional mineralised material which is classified as Inferred Resource. This material is not reported within the Telfer Ore Reserve statement. This Inferred Resource will be tested by further drilling and some or all of this material may be converted to Proved or Probable Reserve through additional Mineral Resource definition activity. Copper grades and in situ copper tonnes only apply to those ore tonnes that are treated by flotation methods through the concentrator (i.e. exclude dump leach). Gold grade and in situ ounces reflect the sum of both concentrator and dump leach ore. The only material impact for the estimate was the increased metal prices in line with corporate guidelines. The net result is an increase in Ore Reserve tonnage by 4.4 million tonnes and an increase in contained metal by 0.1 million ounces of gold compared to the 2008 estimate.

2.3 Telfer Underground

The Telfer Underground assets include the operating sub-level cave (SLC) mine beneath the Main Dome open pit and planned operations for selective reef mining to the west and east of the SLC collectively termed the Western Flank area. Mineralisation styles are similar to elsewhere in the field with gold and copper mineralisation occurring in stratabound reefs, cross reef veins and stockwork zones between or below the reefs. The deposits are located either in or to the east or west of the hinge zone of the Main Dome anticline at depth below the Main Dome open pit. The SLC zone will interact with the pit in the mine plan. The SLC operation currently supplies approximately 5.7 million tonnes of ore per year to the processing facility while mining in the Western Flank reefs is yet to commence.

Mineral Resources

The Telfer SLC Mineral Resource is based on sample data from surface and underground diamond and reverse circulation drilling, bulk sampling, development mapping and sampling. Drill-hole collars, hole-paths and diameters were routinely surveyed. Density for each domain was determined using down hole logging techniques and validated using Marcey and air pycnometer techniques. Systematic quality control is applied to all data produced, from the point of collection, through to validation after which it is stored in a comprehensive relational database. All sampling protocols are derived from both ore heterogeneity and geostatistical studies. The grades of gold, copper, cyanide soluble copper, sulphur and other minor elements were analysed using either in-house or commercial assay laboratories. Typical sample length for Mineral Resource definition RC and diamond samples is one metre down hole. Extensive statistical and geostatistical analyses were undertaken to determine the suitability of the estimation techniques and to provide appropriate inputs to the interpretation processes.

There is no change from the in-situ grade model used for the 2009 SLC Mineral Resource from that reported in 2008. The SLC Mineral Resource is reported in its entirety within the Mineral Resource SLC design reflecting the non-selective nature of the mining method. The estimate includes both in-situ material and broken stocks inside the cave. The broken stocks is reported as the in-situ metal inventory before mining less the ore mined based on the Telfer Underground Ore Reserve extraction parameters. Material impacts on the SLC Mineral Resource estimate include; a redesign of the Mineral Resource cave limits based on increased metal prices, modified mining costs and revised metal recovery estimates, the estimate of mineralized material introduced to the top of the cave column which will be extracted as the SLC continues, and depletions from mine production. Mineral Resource mining depletion over the year totalled 5.6 million tonnes for 0.4 million ounces of gold and 0.02 million tonnes of copper.

The Western Flanks deposit is a series of high grade veins and a reef horizon located immediately to the west of the SLC while the M50 reef is an area of planned underground mining located at a higher level to the east of the SLC. The Western Flanks Mineral Resource was originally evaluated in a study completed in 2004 to assess potential economic mineralization to the west of the SLC. No additional sampling or Mineral Resource updates have been carried out since the Mineral Resource was defined in 2005, and no mining has been carried out to date. The 2009 Western Flank Mineral Resource is unchanged from that reported in 2008 apart from a reduction of the reported volume due to the expansion of the adjacent SLC Mineral Resource.

The M50 reef deposit was reported within the Main Dome Mineral Resource in 2008 reflecting the planned recovery of the reef within the Main Dome open pit. Part of the reef was mined historically and development drives accessed areas where the reef was not extracted. In 2009, it was decided to mine this readily accessible ore from underground with drive rehabilitation commencing in June 2009. Accordingly, the relevant planned mining volume has been transferred from the Main Dome open pit Mineral Resource.

High grade reefs and veins are reported on the basis that they will be mined as selective, narrow vein stopes or room and pillar extraction for flat reefs in contrast to the non-selective bulk mining extraction method of sub-level caving. The reported Mineral Resource comprises the modeled volume of the mineralized veins and reefs with resource classification reflecting the confidence levels of grade continuity demonstrated from the available drilling and bulk sampling. The resource estimate comprises the entire estimate based on an interpreted mineralised envelope of the individual reefs and veins and within a constraining outline defining the limits of grade continuity and potential economic extraction. The material impacts on the estimate include; the reduction in extent due to expansion of the SLC outline due to increased metal prices, updated recoveries and costs, and the transfer of the M50 reef from the open pit inventory.

Ore Reserves

The predominant mining method for extraction of the Telfer Underground Mineral Resource is Sub Level Cave (SLC), which accounts for 88.7% of the gold metal in the reserve. In the Western Flanks area, mining will comprise room and pillar mining up-hole stoping methods, which together report 5.6% of the gold metal in the reserve. The M50 Reef is to be re-accessed underground, and partially mined by a long-hole open stoping mining method, to contribute 2.2% of the gold metal in reserve.

A change in overdraw strategy resulted in the removal of some lower grade material from the reserve, whilst increased metal price assumptions and subsequent SLC redesign has led to the addition of tonnes to the Ore Reserve. Additional overdraw where economic, to 200% of tonnes blasted (from 175% previously) on the lowest level of extraction has also added an additional 27,000 Au ounces to the Ore Reserves.

No material changes have been made to the Western Flanks reserve estimate however it is expected that work during the coming 12 months will likely result in a small increase. The M50 Reef is to be re-accessed from underground, and partially mined by a long-hole open stoping. This reef was last mined in 2000 by the same method. The majority of the M50 Mineral Resource will remain to be extracted as part of the Open Pit Ore Reserves. The net result is a decrease in Ore Reserve tonnage by 3.0 million tonnes and a corresponding decrease in contained metal by 0.2 million ounces of gold and 0.02. million ounces of gold compared to the 2008 estimate. Mining depletion is the major contributor to the metal reduction. Ore Reserve mining depletion in the SLC accounted for 5.8 million tonnes containing 0.4 million ounces of gold and 0.02 million tonnes of copper.

2.4 Vertical Stockwork Corridor (VSC)

The Vertical Stockwork Corridor (VSC) lies directly below the existing Telfer Underground SLC separated at the 4470 level, the lower limit of planned mining in the SLC. It has been estimated and reported as an Inferred Resource for the first time in 2009.

Mineral Resources

The VSC Mineral Resource is based on sample data from surface and underground diamond drilling, together with knowledge gained from bulk sampling, development mapping and sampling within the Telfer Deeps Mineral Resource which lies directly above. All diamond core is logged and photographed. Typical sample length for Mineral Resource definition diamond samples is one metre down hole. The grades of gold, copper, cyanide soluble copper, sulphur and other minor elements were analysed using either in-house or commercial assay laboratories. In-house personnel validate all data used. Grade are estimated using Ordinary Kriging, inside geological domains.

An in-situ cut-off grade of 1.2 grams per tonne gold equivalent has been applied to constrain the Mineral Resource. This uses the Newcrest metal price guides to determine that 1.96% copper is equivalent to one gram per tonne of gold. The gold equivalent cut-off grade incorporates the revenue from either gold or copper and is based on guidance from a pre-concept engineering study of break-even operating cost. The resource is further constrained to ensure that the reported material represents contiguous mineable volumes; two zones of mineralisation have been interpreted.

The VSC Mineral Resource is classified as Inferred as the current wide drill spacing is insufficient to ensure high confidence in grade continuity associated with the current geological model. Structural controls over the distribution of grades within the corridor are also poorly understood at this time and require further drilling and interpretation. A program of work including drilling and decline development has been proposed.

Ore Reserve

No Ore Reserve has been established for the VSC.

2.5 Telfer Satellite Deposits

Mineral Resources

The Telfer Satellite Mineral Resources include estimates for Backdoor West, Dolphy and Big Tree deposits. These resources represent potential additional open pit ore feed to the current operation and / or satellite dump leach extraction with final metal recovery at the current processing facilities.

The Backdoor West deposit lies on the southern flank of the Trotmans Dome anticline. The Mineral Resource is reported above a 0.80 g/t gold cut-off with an assumption that the material will be dump leached at the Telfer Gold Mine. No mining has been carried out at Backdoor West to date and the 2009 Mineral Resource is the same as that reported for 2008.

The Dolphy prospect is a small tonnage, high grade deposit approximately 30 km south of the Telfer Gold Mine. The Mineral Resource is reported above a 3.2 g/t gold cut-off with an assumption that the material will be milled at the Telfer Gold Mine. No mining has been carried out at Dolphy to date and the 2009 Mineral Resource is the same as that reported for 2008.

The Big Tree Mineral Resource is reported above a 3.2 g/t gold cut-off with an assumption that the material will be milled at the Telfer Gold Mine. The Inferred Resource within the fresh rock has not been reported. No mining has been carried out at Big Tree to date and the 2009 Mineral Resource is the same as that reported for 2008.

The Backdoor West and Dolphy Mineral Resources are within the granted mining lease M45/581 which is wholly owned by Newcrest Mining Limited. The Big Tree Mineral Resource is within granted mining lease M45/400 which is wholly owned by Newcrest Mining Limited.

Ore Reserve

No Ore Reserves have been established for the Telfer satellite deposits.

2.6 O'Callaghans

The O'Callaghans poly-metallic deposit is located approximately 10 km south of Telfer Gold Mine. Mineralisation containing potentially economic quantities of tungsten, copper and zinc has been identified approximately 300m below surface as a sub-horizontal layer up to 70m thick. Initial investigations indicate the deposit is amenable to bulk underground mining and metallurgical recovery of the economic minerals by established gravity and flotation techniques. Other minerals containing molybdenum, lead and silver are present. Gold is not present in potentially economic amounts. Diamond drilling is ongoing, as are mining and metallurgical studies. The O'Callaghans Mineral Resource is within approved mining lease ML45/203 that is wholly owned by Newcrest Mining Limited.

Mineral Resources

Exploration carried out between 1972 and 1983 indicated the presence of underlying granite in the O'Callaghans area. Seven diamond drill-holes were completed during 1985 to test a discrete magnetic anomaly for potential skarn mineralisation. To mid July 2009, approximately twenty three holes have been drilled in the O'Callaghans deposit area and eight holes within the broader O'Callaghans region. These reverse circulation pre-collar and diamond holes typically at 200m to 400m grid spacing are the basis for the estimation of the Inferred Resource.

Drilling has defined up to 70 m thick zone of poly-metallic skarn (altered limestone) mineralisation above a granite body at around 300 m below surface. Lithological domains were defined based on drill-hole logging and grade. The top of skarn mineralisation and top of granite have been interpreted together with a zone of intense quartz flooding directly above the granite. Grades have been estimated using Ordinary Kriging from assays obtained from half core samples.

An Inferred Resource is reported for the first time. This global resource comprises the volume of the main mineralised horizon where grades and deposit widths are of sufficient magnitude as to be potentially economically extractable. No cut-off grade has been applied to this volume. All knowledge of the O'Callaghans deposit to date is from drill core sampling only..

3. GOSOWONG PROVINCE (INDONESIA)

Gosowong is located on the island of Halmahera located in North Maluku Province in the eastern part of the Republic of Indonesia. Gosowong is owned and operated by PT Nusa Halmahera Minerals (PT NHM), an incorporated joint venture between Newcrest Singapore Holdings Ltd[1] (82.5%) and PT Aneka Tambang (17.5%). Tenure over all Gosowong deposits is covered by a 6th generation Contract of Work No.B.143/PRES/3/1997.

For the purpose of reporting Mineral Resources and Ore Reserves Newcrest is reporting 100% of the assets. Actual metal production is marketed by PT Nusa Halmahera Minerals and the owners receive a return through a distribution of profits through dividends.

Precious metal mineralization in the Gosowong Province is characterized as low sulphidation, epithermal in nature. The tenor of gold grade is very high and is associated with similar levels of silver. Gosowong Province ores mined to date have proven to be very clean without contamination issues and metallurgical recoveries greater than 90% have been demonstrated through conventional leaching methods. Tailings are subject to a detoxification process prior to storage in a conventional dam system. Waste rock contains some potentially acid forming material (PAF) which is identified and classified in the mining process before encapsulation in design specific cells located within conventional valley fill waste dumps. These dumps are progressively rehabilitated and revegetated as sections are completed.

The Mineral Resource definition process applied at Gosowong is based on systematic diamond drilling with some infill reverse circulation used when appropriate. It has been established that mineralized shoots drilled to a notional spacing of approximately 50 x 50 metres can generally be classified as Inferred Resource. Similarly drill spacing of 25 x 25 can normally support an Indicated classification. Due to high variability of grades and reef geometries present at Gosowong, Mineral Resources are not normally classified in the Measured Resource category until grade control sampling has taken place.

Diamond core is logged and photographed prior to sampling. Sampling protocol is based on heterogeneity testing undertaken from time to time and is generally based on half core. Most core

[1] Newcrest Singapore Holdings is a wholly owned subsidiary of Newcrest Mining Limited.

intercepts are HQ/PQ in size by design however a minor percentage of smaller NQ intercepts are present in the database due to drilling difficulties that can occur in the Gosowong environment. Core recovery is monitored carefully. Samples are assayed for gold and silver at the on site laboratory using fire assay (FA50) with AAS finish. Where fire assay indicated gold grades are greater than 80g/t, a gravimetric method has been applied. Selected samples are sent off site for analysis of minor elements and base metals by ICP scan. Each batch is submitted with blind standards, repeats and blanks. Results from these control samples are used to generate routine QA/QC reports which can be used to control the process and to demonstrate the veracity of the database at any time. This process is audited both internally and independently on a regular basis.

The Mineral Resource estimate at Gosowong now totals 3.7 million tonnes grading 23.9g/t Au and 18.4g/t Ag for 2.84 million ounces of gold and 2.19 million ounces of silver. This new estimate represents an increase of approximately 0.483 million ounces of gold which has been countered by a mining depletion of 0.454 million ounces of gold. Mining at present does not target stockwork as a primary production source given its low average grade although it is mined as dilution around the main ore zones. For the Kencana deposits to date metal production has been exceeding the depleted resource by 2%.

3.1 Kencana Underground

Three economic mineralized shoots have been identified to date within the Kencana system are; K1, K2 and K Link. The deposits are very high grade in metal tenor, relatively moderate to low in dip with poor ground conditions in general. Underground mining assumes an underhand cut and fill method. Sub-level open stoping is also planned in some parts of the deposits. The Mineral Resource is estimated using surface and underground drilling data as well as underground mine development information. All drilling intercepts in the models have been obtained using diamond coring methods while all ore faces mined underground are mapped and sampled by PT NHM geologists. The drilling and mapping data is used to construct 3 dimensional wireframe models of the lodes and their surrounding regions for use in sample compositing, block model construction and estimation. The estimation method has changed from a 2D accumulation method to traditional 3D Kriging methods with equal length composites. Estimates are validated against production data where available and reviewed by internal and external reviewers before release.

K1 Mineral Resource

Mining has continued in the K1 orebody with data from development allowing an expansion in the extent of the grade control modelled volume. The grade control model has been extended down to Sublevel 8 to reach approximately 135m below the upper limit of the orebody. It is dominantly based on mine mapping and sampling data. Production to date from K1 is 0.980Mt of ore containing approximately 1.23Moz Au. After accounting for mining depletion the K1 Mineral Resource contained metal has increased by approximately 37% compared to the previous figure due to additions from extensions down dip and to the north. All K1 material is classified as Indicated Resource given the small scale geometrical complexity evident in the lodes.

K2 Mineral Resource

In K2 additional drilling has delineated a small extension shoot to the south (K2 Main Zone 2) and slightly expanded the down dip boundary. Compared to previous figures the K2 Mineral Resource tonnage has increased by 13% and increased the contained Au metal by 1.3%. Gold metal addition occurred mainly from including the southern shoot and was offset by adjustments from reducing grade within the 2008 model extent due to inclusion of additional twinned drilling designed to test short-range variability in high grade zones.

K Link Mineral Resource

Additional drilling has extended the K Link Mineral Resource boundary in its eastern lower section and up graded the Mineral Resource status of the footwall shoot into Indicated Resource. Additional data was also available from extended ore driving off K1 levels into the upper part of K Link orebody (Sublevels 6 to 8). Although the tonnage of The K Link Mineral Resource has increased by 25% the contained Au metal has slightly decreased (-3%) due to a 22% grade reduction within the 2008 model extent.

Kencana Ore Reserves

Geological models for each of the three major ore zones have been upgraded for the June 2009 Ore Reserve. The K1 orebody is a combination of two separate models; a grade control model for areas where mining has taken place (above Sub 8) and a Mineral Resource model for future areas of mining (Sub 8 and below). Additional drilling has also extended the K1 orebody down dip and to the north. Mining has continued between Sub 0 and Sub 8, enabling better definition of the K1 Grade Control Model. Material changes to this reserve estimate include additional drilling that has increased the K1 Mineral Resource down dip and to the north and a reduced cut-off grade from 10g/t Au to 7g/t Au reflecting increases in metal prices and reduction in costs. Mining depletion for the year ending 30 June 2009 was 448,336 tonnes grading 30.7g/t Au and 34.1g/t Ag containing 442,061 ounces gold and 491,031 ounces silver. Since mining of the Kencana system commenced in March 2006, 1,203,868 tonnes grading 38.6g/t Au and 46.0g/t Ag containing 1,492,822 ounces gold and 1,781,242 ounces silver have been produced. A full 3D mine design for Kencana was carried out using Mine2-4D software. Three different design types were used to delineate mineable shapes for the design. Derived activities were created for cable bolting and for the backfill cycle (including fill preparation, paste filling and curing time). Several major changes have occurred to the design philosophy, including changing all undercuts in K1, K2 and K-Link from 4.3m to 5.0m height. Due to the improved ground conditions and orebody geometry, the K1 orebody below Sub 7 in has been designed for long-hole stoping (using complex solids). The K-Link area between Sub07 and Sub 09 has also been designed for long-hole stoping. The net change in the Ore Reserve for the period was a decrease of 0.46 million tonnes containing. 0.002 million ounces of gold and 0.2 million ounces of silver. The Competent Person for Kencana Ore Reserves was Mr. Robbie Whitworth.

3.2 Gosowong Open Pit

Evaluation of a cutback to extract additional ore from the historical Gosowong pit based on review of grade control data and some additional drilling yielded an upgrade of the resource classification to Indicated Resource. Increased metal price assumptions also yielded an increase of approximately 4% to 0.12 million ounces of gold. A mining study assuming selective mining similar to the historical approach used in the Gosowong pit has concluded that a small Ore Reserve estimated to comprise 85,000 tonnes grading 19g/t Au containing 51,000 ounces is present within a cutback to the existing walls. Further study may increase this Reserve using different mining options.

3.3 Gosowong TSF

Recently deposited tailings material generated by the treatment of high grade Kencana ore is declared as an Inferred Resource. A study has shown a reasonable expectation of economic viability for re-treatment this material given the revisions in the grinding circuit in the processing plant. No Ore Reserves exist at present for this Mineral Resource. The Competent Person for Gosowong Ore Reserves other than Kencana was Mr. Geoff Dunstan.

4. CRACOW GOLD MINE (QLD)

Cracow Gold Mine is an unincorporated joint venture between Newcrest (70%) and Sedimentary (30% - a wholly owned subsidiary of Lion Selection Group).

Cracow Mineral Resources are a combination of resource estimates for a number of separate gold and silver rich shoots that lie within a series of steeply dipping epithermal vein structures. Mineral Resources have been reported after depletion for Royal, Crown, Klondyke North, Sovereign and Kilkenny, with new Mineral Resources defined as a result of exploration success at Tipperary, Empire and Roses Pride.

Ore Reserves for Cracow comprise a combination of separate estimates reported after depletion for Royal, Crown, Klondyke North and a new Ore Reserve for Sovereign deposit. Mill recoveries since the commencement of the Royal decline averaged 93% for gold and 80% for silver using conventional leaching methods.

Material changes to the Mineral Resource at Cracow during the period include the re-modelling (-3,000 ounces of gold) and adjustment for mining depletion (-0.10 million ounces of gold) at both the Crown and Royal Shoots. A number of sub-parallel structures and splays off the Crown Shoot structure are now interpreted from the additional diamond drilling information. Only one of these structures called the BAZ Vein, which is a sub-parallel vein located on the footwall of the main Crown Shoot, has sufficient drill intercepts to enable a small Mineral Resource to be generated and is included as part of the Crown Mineral Resource in the above table. The Sovereign Shoot and the Klondyke North Mineral Resources remain unchanged since the previous reporting period, while the Kilkenny Shoot is a new addition to the Mineral Resource inventory (+0.14 million ounces of gold).

The Mineral Resources that have satisfactory drill data support have been estimated using 3D Ordinary Kriging. Those that do not have satisfactory drill data support have been estimated using 3D Inverse Distance. The exception is the Royal and Crown which have previously been estimated using a combination of 3D Ordinary Kriging and 2D accumulation (Kriging) methods. The 3D method being used where the grade control dataset exists, comprising detailed face sampling, in-drive diamond drilling and ore drive backs and sidewall mapping. The 2D metal accumulation method models horizontal thickness (width) and 'grade x width' accumulation for gold and silver. The variables were interpolated using Ordinary Kriging. The gold and silver grades were back-calculated by dividing the estimated accumulation by the estimated horizontal width. The 3D modelling method interpolated grades by Ordinary Kriging where the data support was considered sufficient and Inverse Distance Squared for those shoots where the data support was considered insufficient for Kriging.

Comprehensive QA/QC programs have been conducted on all Mineral Resources using standards, check samples, blind resubmissions, barren flush analysis, external laboratory checks and screen fire assaying. No issues with the gold and silver analysis or sample preparation are indicated. Gold grade was determined by 50g fire assay.

Surface drill-hole collars are surveyed at the completion of drilling. A down-hole Flexit tool has been used for most down-hole surveys; although single shot Eastman cameras were originally used. Core orientations were completed using either the ACE tool, Ballmark system or the chinagraph spear method. Underground drill-hole collars were accurately located by Total Station EDM survey in the drill cuddies and down-hole position was located by a Flexit survey tool. No core orientations were completed on underground diamond holes.

4.1 Royal

The Mineral Resource for the Crown shoot was not updated for June 2009 as no new data was added. Economic parameters for the Mineral Resource remain as for June 2008 because the mining plan has been completed. Mine development on the R2051 and R2067 levels was completed during the year and the remaining mining activity is now stope production only. No further sampling of this ore-body is planned.
The Mineral Resource estimate of the Royal shoot was completed in June 2008 and has subsequently been depleted for mining as at 30th June 2009. The Royal Shoot portion of the Royal-Klondyke lode is located between 4,475 – 4,900mN and 1853 – 2249mRL. The model uses all available data to 30 June 2008. No additional data has been added since. The Mineral Resource Definition drill data used has a nominal spacing of 16x25m in the plane of the structure. The grade control data includes samples of development cuts every 3m along the drive and sludge holes every 5m where the ore was wider than the drive. The development levels are 16.5m apart (floor to floor) in the upper half of the ore body, 18m and 20m apart in the lower half.

Whole core sampling was conducted for all underground LTK60 core to maintain similar sample sizes and sample support with the HQ3/3.68 half core sampling from the surface diamond holes. No additional screen fire assays were done. There was a minor difference between the surface and underground diamond drill sample preparation method, with the underground diamond core samples crushed to 5mm before splitting and pulverizing the split sample, compared with pulverizing the total sample for the surface drilling program. Classification of the Mineral Resource is predominantly in the Measured category with lower grade peripheral areas of Indicated and Inferred category material. This reflects the completion of all mine development. The estimate was modelled using a combination of 2D and 3D estimation methods. A 2D metal accumulation model (drill-hole data) was completed using drill-hole information only and a 3D block model (face data) was completed in areas where detailed sampling and mapping of mine development faces has been completed. The 3D face model was added back over the 2D drill-hole model to produce the final combined 2D/3D model. No top-cuts were applied to the lode in the 2D accumulation model (drill-hole data). However, top-cuts of 850g/t Au and 700g/t Ag were applied to the lode in the 3D block model (face data) to constrain several extreme values. Only two faces have top-cut gold samples (RSF2018S_18 with 1m @ 1,465g/t Au and RSF1909S_08 with 1.0m @ 1,760g/t Au). The Mineral Resource estimation used the same variography as the June 2006 estimate. For lode drilling data used in the 2D accumulation model, 2D variography parameters were generated for horizontal thickness (width) and gold and silver accumulation. For lode and stockwork data used in the 3D block model, 3D variography parameters were generated for gold and silver grade. All interpolations for grade and width used Ordinary Kriging. The Mineral Resource has been depleted at full width for all mine development and stope blocks fired to the end of June 2009. In-stope stocks that have been fired and not mined as at 30th June 2009 are not included in the Mineral Resource. Stope blocks are generally around 10kt in size. One Royal stope was active in June 2009.

4.2 Crown

The Mineral Resource for the Crown shoot was not updated for June 2009 as no new data was added. Economic parameters for the Mineral Resource remain as for June 2008 because the mining plan has been completed. Mine development was completed in August 2008 during the year and remaining mining activity is now stope production only. No further sampling of this ore-body is planned.
The model of the Crown shoot was completed in September 2008 and subsequently depleted for mining as at 30th June 2009. The model includes sub-parallel structures and splays off the Crown Shoot structure. The Crown lode was modelled between 5475 – 5950mN and 1700 – 2200mRL, with a classified Mineral Resource defined between 5475 – 5925mN and 1780 – 2040mRL. The BAZ splay is also located within this area. The model used all available data to 30 September 2008. The extents of the grade-control dataset, comprising underground face sampling, mapping and in-drive diamond drilling, define the Measured Resource category.

As per the Royal Shoot, whole core sampling of LTK60 underground core was conducted to maintain similar sample sizes and sample support with the HQ3/3.68 half core sampling from the surface diamond holes. No additional screen fire assays were done. The Mineral Resource Definition drill data used has a nominal spacing of 20x25m in the plane of the structure. The grade control data includes samples of development cuts every 3m along the drive and LTK60 diamond holes every 5m where the ore was wider than the drive. The development levels are 18m apart, floor to floor. The bottom level is 32m floor to floor.

The estimate has been modelled using a combination of 2D and 3D estimation methods. A 2D metal accumulation model (drill-hole data) was completed using drill-hole information only and a 3D block model (face data) was completed where detailed sampling and mapping of ore-drive development faces has been completed. The 3D face model was added back over the 2D drill-hole model to produce the final combined 2D/3D model. No top-cuts were applied to the lode in the 2D accumulation model (drill-hole data). However, top-cuts of 260g/t Au and 220g/t Ag were applied to the lode in the 3D block model (face data) to constrain extreme values. Although four faces have top-cut silver values, only one face has a top-cut gold sample (CRF1982N_17 with 1.0m @ 552g/t Au). The Mineral Resource estimation used the same variography for the 2D and 3D datasets as per the June 2007 model. For lode drilling data used in the 2D accumulation model, 2D variography parameters were generated for horizontal thickness (width) and gold and silver accumulation. For lode and stockwork data used in the 3D block model, 3D variography parameters were generated for gold and silver grade. All interpolations for grade and width used Ordinary Kriging.

The Crown Mineral Resource Model includes the estimate of the BAZ Vein (or lode), which is located on the footwall of the main Crown Shoot. The BAZ Vein was modelled between 5500 – 5900mN and 1685 – 2150mRL, with an Inferred category Mineral Resource defined in two discrete blocks between 5525 – 5800mN and 2000 – 1880mRL. The BAZ Vein is included as part of the Crown Mineral Resource figure with the same modelling and reporting parameters as the Crown Mineral Resource.
The Mineral Resource has been depleted at full width for all ore-drive development and stope blocks fired to the end of June 2009. In-stope stocks that have been fired and not mined as at 30th June 2009 are not included in the Mineral Resource. Stope blocks are generally around 10kt in size.

4.3 Klondyke North

The Klondyke North shoot is located 200 metres north of, and on the same structure as the Royal shoot. The Klondyke structure trends parallel to and approximately 80 metres from the Crown Decline which connects the Royal and Crown deposits. An updated Mineral Resource estimate was completed in May 2009 using a 3D model which was subsequently depleted for mining as at end of June 2009. No Additional surface or underground Definition drilling was added since the June 2008 estimate. However, mine development was mostly completed on three levels (K2140, K2160, K2180). Face sample data and mapping from the mine development was used as the basis to re-model the Mineral Resource in June 2009. The Mineral Resource Definition drill data used to define the Inferred Resource has a nominal spacing of 25x25m in the plane of the structure below 2260mRL (85m below surface) and 18x18m above 2260mRL. The grade control data includes samples of development cuts every 3m along the drive. The ore is contained within the drives. The development levels are 20m apart, floor to floor.

The gold mineralization at the Klondyke North deposit occurs in a similar geological setting to the Royal deposit. The Mineral Resource is located between local mine grid co-ordinates 4950mN and 5300mN and extends from surface to 1950mRL. The Mineral Resource estimate has been categorized into Measured: representing the extents of mine development, Indicated: a smoothed shape around blocks informed in the first pass volume search, and Inferred: a smoothed shape around blocks informed in the second pass volume search. Variography and geostatistical work was conducted by Quantitative Group consultants of Melbourne. They suggested top-cuts of 30g/tAu (96.5 percentile) and 12g/tAg (96.5 percentile) for the main mineralized zone be applied to the composited (1m) data prior to populating the

model grades. These parameters were used. The use of top-cuts reduced the variance of the data and assisted variography.

Of the surface diamond drilling, two pre-Newcrest NQ holes and twenty two HQ3.68 holes were half-core sampled, while three surface holes (KDD200-202) were drilled NQ and whole-core sampled. The underground LTK60 holes were also whole-core sampled. The QA/QC assurance program and results are the same as reported for the Royal Shoot, the data has not be separated. The bulk density values used were as reported for the Royal previously and no additional data has been collected. The Mineral Resource has been depleted for the historical Klondyke mine workings and recent mining activities to the end of June 2009. In-stope stocks that have been fired and not mined as at 30th June 2009 are not included in the Mineral Resource. Stope blocks are generally around 10kt in size.

4.4 Sovereign

The Sovereign shoot is located 400 metres north of, and on the same structure as the Crown shoot. An updated Mineral Resource estimate was completed in May 2009 using a 3D model which was subsequently depleted for mining as at end of June 2009. The Mineral Resource was previously updated in December 2008 with all Definition drilling completed to that date. Four additional Definition drill-holes have been completed since and were included in the June 2009 Mineral Resource estimate. Mine development was mostly completed on six levels (S1940-2040) and half completed on the S2060 level. Grade Control data comprising face samples, mapping and in-drive drilling was used as the basis to re-model the Mineral Resource in June 2009. The Mineral Resource Definition drill data used has a nominal spacing of 40x40m in the plane of the structure. The grade control data includes samples of development cuts every 3m along the drive and LTK60 diamond holes every 5m where the ore was wider than the drive. The development levels are 20m apart, floor to floor.

The gold mineralization at the Sovereign deposit occurs in a similar geological setting to the Crown deposit, albeit striking about 45o further to the east than the Crown. The structure flexures along its strike and splays are present at the flexures. The intervening area between the main structure and the splays is brecciated with infilled veining. The economic mineralization widens out about 20m where the splays are and intervening breccia is best developed. The Sovereign Mineral Resource is located between local mine grid co-ordinates 5920mN and 6320mN and extends from 2220mRL to 1840mRL.

The Mineral Resource estimate has been categorized into Measured: representing the extents of mine development, Indicated: a smoothed shape around blocks informed in the second pass volume search, and Inferred: a smoothed shape around blocks informed in the third pass volume search. Variography and geostatistical work was conducted by Quantitative Group consultants. They suggested top-cuts of 65g/tAu (99 percentile) and 35g/tAg (97.5 percentile) for the main mineralized zone be applied to the composited (2m) data prior to populating the model grades. These parameters were used. The use of top-cuts reduced the variance of the data and assisted variography. The June 2009 model uses all available drilling and grade-control data to 31st May 2009. The underground Mineral Resource definition program comprises 92 diamond holes (SVU001-039, 041-69, 071-074, 076-095) drilled at an LTK60 (43.9mm) core size. No new surface drilling has been added to the estimate. This surface dataset of 36 holes is comprised of 34 HQ3.68 diamond holes and 2 RC percussion holes for a total of 17,703 metres drilled. Grade-control data was included for the first time. The density remained unchanged from the last Mineral Resource. The QAQC program for the drilling programs show that check pulp and screen fire assays gave generally good correlation with the original assays but also did indicate the presence of coarse gold in a high grade sample. The QAQC for the grade control program included the submission of standards. The Mineral Resource has been depleted for mining activities to the end of June 2009.

4.5 Kilkenny

The Mineral Resource estimate for Kilkenny was updated with new drilling in June 2009. The new model was estimated using 3D Inverse Distance Squared interpolation method. Kilkenny is located 450m west of the Crown with the top of the economic mineralization being at a coincident level to the current bottom of the Crown decline. The vein system and mineralization has developed on a north-east striking structure that has been traced for over 2km from Tipperary in the south to Sterling in the north and dips steeply to the west. The Tipperary shoot was modelled with the Kilkenny but the Mineral Resource is reported separately.

The style of mineralization appears similar to the Crown and Sovereign deposits with a "bonanza" vein event having been developed within a low-sulphidation carbonate-quartz-adularia banded vein and stockwork events. Secondary structures with veining and mineralization are evident as splays off the main structures though the number and location of drill-holes make it difficult to model them with confidence. The splays are encapsulated within the modelled stockwork domains (hanging-wall and footwall to the main domain). The high-grade mineralization has developed in north-plunging shoots with the bulk of it located at a change in the strike of the structure. The updated combined Tipperary-Kilkenny-Kilkenny North model used all available drilling data to 30th May 2009 being 70 drill-holes (17 in Tipperary, 49 in Kilkenny, and 4 in Kilkenny North). The Mineral Resource is classified as Inferred. The boundary used to define the Inferred Resource is a 30m expanded perimeter, in the plane of the structure, around the core group of drill-holes containing mineralization. The model outside the expanded perimeter is not included in the Mineral Resources. The distinction between the Tipperary and Kilkenny Mineral Resources is 5600mN (Klondyke Grid).

There are 58 drill-holes that lie within the Inferred Resource (14 in Tipperary, 44 in Kilkenny, and no Mineral Resources are stated for Kilkenny North). The drill data used has a nominal spacing of 70x70m in the plane of the structure across Tipperary and Kilkenny. The drilling consisted of mainly NRQ2 diamond core holes and a lesser number of HQ3.68 diamond core holes. The majority of the holes were drilled from the western side of the structure, while some holes were drilled from the eastern side. One drill-hole (CBK181) was excluded from the Mineral Resource model as it drilled down the lode structure. Variography and geostatistical work was conducted by Quantitative Group consultants. This was used in a 3D Ordinary Kriged model which was not used to report the June 2009 Mineral Resources: the search parameters were greater than those used for better drill defined shoots by an order of 7 which reflected the overall horizontal aspect of the drilling extents rather than the evident plunging shoot alignment. These aspects were considered more detrimental than the effect Inverse Distance Squared interpolation had on the estimate. Top-cuts of 30g/tAu and 20g/tAg (approximately the 97.5 percentile) for the main mineralized zone were applied to the composited (1m) data prior to populating the model grades. The top-cuts were used to reduce the variance of the data and limit the over-representation of outlying population data. There were no additional bulk density determinations completed since the June 2008 Mineral Resource estimate. A QA/QC program was carried out that included check pulp and screen fire assays that gave an acceptable correlation with the original assays.

4.6 Empire

The Mineral Resource estimate for Empire was added in June 2009. The model was estimated using 3D Inverse Distance Squared. Empire is located 550m north of the Sovereign within the same level horizon. The vein system and mineralization has developed on a north striking structure dipping very steeply west that lies between Sovereign and Sterling. The style of mineralization appears similar to the Klondyke North deposit with a "bonanza" vein event having been developed within a narrow low-sulphidation carbonate-quartz-adularia banded vein and stockwork events. The structure is interpreted to split in two in the upper-north quadrant. The two structures are modelled as separate domains, the footwall structure nominated as the main structure and the hanging-wall to be the splay. The high-grade mineralization is best developed north of the split on both structures. The model used all available drilling data to 30th

May 2009 being 30 drill-holes. The Mineral Resource is classified as Inferred representing a smoothed shape, in the plane of the structure, around blocks informed in the second pass volume search. There are 26 drill-holes that lie within the Inferred Resource. The drill data used has a nominal spacing of 50x50m in the plane of the structure. The drilling consisted of HQ and NQ diamond core holes. The majority of the holes were drilled from the western side of the structure, while some holes were drilled from the eastern side. The drill data was not submitted for variography and geostatistical work. Top-cuts of 16g/tAu and 6g/tAg (approximately 97.5 percentile) for the main mineralized zone were applied to the composited (1m) data prior to populating the model grades. The top-cuts were used to reduce the variance of the data and limit the over-representation of outlying population data. A QA/QC program was carried out that included check pulp and screen fire assays that gave an acceptable correlation with the original assays.

4.7 Roses Pride

The Mineral Resource estimate for Roses Pride was added in June 2009. The model was estimated using 3D Inverse Distance Squared. Roses Pride is located 2km north of the Kilkenny and sub-crops at surface. There are historical workings down to 70m below surface. The vein system and mineralization has developed on a north striking structure dipping very steeply west and could be the continuation of the Kilkenny-Sterling structure on the north side of the Fordee structure. The style of mineralization appears similar to the Klondyke North deposit with a "bonanza" vein event having been developed within a narrow low-sulphidation carbonate-quartz-adularia banded vein and stockwork events. The main high-grade mineralization has a shallow plunge to the south. Secondary structures with veining and mineralization are evident as splays off the main structures though the number and location of drill-holes make it difficult to model them with confidence. The small zones of stockwork mineralization identified in drill-holes have not been modelled. The model used all available drilling data to 30th May 2009. The Mineral Resource is classified as Inferred representing a smoothed shape, in the plane of the structure, around blocks informed in the second pass volume search.

The high-grade core of the mineralization below the historical workings contains the majority of gold ounces in the Mineral Resources and is defined and limited by 28 drill-holes. This drill data has a nominal spacing of 45x45m in the plane of the structure. This drilling consisted of HQ and NQ diamond core holes. There are a further 96 drill-holes, mostly shallow holes that intersect the main structure less than 70m below surface, over the 900m strike length of the Inferred Resource and 3 surface channels. This drill data has a nominal spacing of 30x30m in the plane of the structure. The drill-holes are predominantly RC percussion holes drilled prior to Newcrest's involvement, though there are several Newcrest RC drill-holes in the better mineralized northern extents. The drill data was not submitted for variography and geostatistical work. Top-cuts of 20g/tAu and 13g/tAg (approximately 97.5 percentile) for the main mineralized zone were applied to the composited (1m) data prior to populating the model grades. The top-cuts were used to reduce the variance of the data and limit the over-representation of outlying population data. A QA/QC program was carried out on Newcrest drill data that included check pulp and screen fire assays that gave an acceptable correlation with the original assays. The QAQC of the pre-Newcrest is unknown.

4.8 Stockpiles

The Cracow stockpile material is classified as Measured Resource. Grade estimates for this material are based on grade control data. The tonnes have been measured onto the stockpile by weighbridge and measured off the stockpile by load-rite. The stockpiles include all un-processed ore on surface sourced from all mining areas as at 6am 1st July 2009. In-stope stocks that had been fired and not mined as at 30th June 2009 are not included in the Mineral Resource. Stope blocks are generally around 10kt in size. The Royal had one active stope (R2051_07) and the Crown had two active stopes (C1982_04, C2000_01). There were no active stopes for Klondyke North or the Sovereign.

4.9 Ore Reserves

The Mineral Resource models were converted to Ore Reserves through a process involving re-blocking to the height of the ore drives and 12.5m along the drive. Measured Resource is converted to Proved Reserve. Indicated Resource is converted to Probable Reserve. In the event of a re-block comprising multiple Mineral Resource categories, the lower category is generally used. Some minor discretion is allowed in the application of these allocations where the result is immaterial to the Ore Reserve, or provides a misleading result due to conservatism. Dilution and ore loss parameters have been maintained as per the June 2008 Ore Reserve. Mill recovery is attributed to individual ore-body. The recoveries in this report have been estimated by the site Metallurgist.

The Royal Ore Reserve has had no further work done on it this year. Likewise the Crown Ore Reserve has had no further work done on it this year. The changes in the Royal and Crown Ore Reserve estimations represent mining depletion only. Development of these two ore-bodies is now completed. This development represents the controlling factor in determining whether a block is included in the Ore Reserve or not. As such a lowering in marginal cut-off grade has no effect on the Ore Reserve estimation for these ore-bodies.

The Sovereign Ore Reserve has been included as an addition to the Ore Reserve. Production from the Sovereign development commenced in April 2008. The Sovereign ore-body is to be mined using the long-hole benching method that is being used to successfully mine the Royal and Crown ore-bodies. There are no known factors that would significantly impact the extraction of this Ore Reserve.

The Klondyke North Ore Reserve has been included as an addition to the Ore Reserve. Production from Klondyke North development commenced in March 2008. The Klondyke North ore-body is to being mined using the long-hole benching method that is being used to successfully mine the Royal and Crown ore-bodies. There are no known factors that would significantly impact the extraction of this Ore Reserve.

Mining depletion represents mining from the Royal and Crown ore-bodies. Additional material was mined during the reporting period from the Sovereign and Klondyke North ore-bodies, but these were not included in last years Ore Reserve estimates. Ore Reserve risk is considered low. The site continues to perform well in comparison to estimates. There remains some risk associated with extraction of sill pillars, but the operation feels that the parameters associated with sill pillars in the Ore Reserve estimation are robust and achievable.

5. NAMOSI (FIJI)

The Namosi Project is a joint venture between Newcrest Fiji Ltd[2] (65%), Mitsubishi Materials Corporation (28.06%) and Nittetsu Mining Co., Ltd (6.94%). Newcrest has accepted the transfer from Nittetsu Mining Co., Ltd of an additional 4.94% interest in the joint venture subject to Fiji government approval. Upon receipt of that approval the joint venture interest of Newcrest will become 69.94%. The Mineral Resources stated reflects 69.94% ownership. SPL 1420 is located on the southern part of the island of Viti Levu approximately 30km from the capital Suva.

The Namosi Mineral Resource is solely comprised of the resource estimated at the Waisoi deposit. The Mineral Resource has been reported above a marginal copper cut-off grade of 0.25% based on pre-feasibility level study inputs. The reported gold grade is conditional to the recovered copper grade. No Ore Reserves exist at present for this Mineral Resource.

5.1 Mineral Resources

[2] Newcrest Fiji Limited is a wholly owned subsidiary of Newcrest Mining Limited.

The Waisoi porphyry Cu-Au mineralisation occurs within a sequence of Tertiary volcanics and porphyritic intrusive rocks located within the main volcanic island of the Fiji Islands group. Copper mineralisation was first discovered in the Waisoi area in the late 1960's followed by progressive exploration by several companies and subsequent work by the NJV.

The geology of the Waisoi area comprises a Tertiary sequence of volcanics and volcaniclastics that are intruded by dioritic and quartz porphyries, and overlain by late Tertiary and Quaternary cover. The Tertiary volcanic sequence includes the basement Wainimala group of basalt to basaltic andesite lavas and autobrecciated lavas, which are unconformably overlain by the Medrausucu Group; consisting of the Basal Namosi Conglomerate, Namosi Andesite sequence, and the younger Korobasabasaga Pyroclastics.

At the Waisoi deposits (Waisoi West and Waisoi East porphyry bodies) mineralisation occurs as disseminations, fracture fill and vein fill. Mineralisation is hosted by both porphyry intrusives and host volcanic rocks. Chalcopyrite and bornite are the dominant copper sulphide minerals, with minor chalcocite and native copper occurring within mixed oxide zones. Very little supergene mineralisation is developed due to the dynamic erosional regime that tends to remove material before deep oxidation and leaching profiles can develop. Molybdenum mineralisation (not modelled) occurs as molybdenite within veins, fractures and occasional disseminations. Other base metal sulphides are rare but sphalerite and minor galena have been observed in veins and late phyllic faults. Gold mineralisation has a close association to copper, and thus better gold grades often occur with well developed bornite and chalcopyrite.

The Waisoi deposit is the first classified Mineral Resource at Namosi. There has been no previous mining within this area. Pre-Feasibility Study work including work to assess the viability and optionality around an open-cut mining operation at Waisoi is ongoing.

The resource estimate, which was completed in June 2009, encompasses both the Waisoi West and Waisoi East deposits and lower grade mineralisation between the two porphyry bodies. The centres of the west and east deposits are approximately 1500 metres apart. The new model uses all available data to 31st December 2008, which is comprised of 10 diamond drill holes completed by the NJV and data from 272 drill holes completed by previous exploration companies. The drill holes completed by the NJV, including 6 at Waisoi West (NSW001-NSW006) and 4 at Waisoi East (NSE001-NSE004), were designed to test the depth extent of the resource and the depth potential of internal higher grade zones. Surface drilling completed after 31st December 2008 is excluded from the estimate.

All NJV drilling was conducted with Longyear LF90/LF90D drill rigs, with the first rig starting at site on the 13th January, 2008. Drill core triple tube sizes were generally PQ to a maximum depth of 250m, HQ to a maximum of 600m, and NQ to 1,000m. Core was orientated with the ACE orientation tool, however, poor ground conditions (fractured, soft) compromised the quality of some of the readings. Bottom of hole was marked with a chinagraph pencil. Down-hole surveys were conducted initially at 18m, then every 50m unless otherwise instructed using a Reflex EzTrac instrument. Upon completion of drilling or reduction in core size, multi shot down-hole surveys were conducted every 3m or 6m. This data was validated prior to incorporating into the database. Some multi shot data was not utilized, due to fluctuating readings. Drill-hole collars were picked up by NJV personnel using a Differential GPS system.

Core was marked up with 1m depth markers and core recovery, magnetic susceptibility, geotechnical parameters (RQD and in-situ rock strength), and geology (lithology, alteration, structure, vein/breccia infill, and sulphides) were recorded prior to core photography. Core was then sampled using the following guidelines; sampling at regular 2m composite intervals starting at 0m (except holes NSW001 and NSE002 sampled on 1m intervals), all PQ core quarter (¼) cut for analysis and all HQ and NQ core half (½) cut for analysis. Bulk Density (Specific Gravity) measurements were taken on 1,703 samples

from NJV and historical drill core for each major oxidation and lithology type. Density values were assigned to the resource model on oxidation and then lithology, in that order of priority.

A comprehensive QA/QC program has been conducted on the drill data input into the resource estimate including assessment of the integrity of the historic drilling data. This program included the use of standards, check samples, blind resubmissions and external laboratory checks. No material issues with the gold and copper analysis or sample preparation of the drill data was raised during the external review of the QA/QC program by AGORATEK International.

As the drill hole data has been assayed at different intervals; 2m for recent NJV drilling and up to 15m composites for historical drilling, all data was composited to 15m down-hole intervals. No top-cuts were applied to either copper or gold grades. Variography parameters were generated for both copper and gold at Waisoi East and Waisoi West, and for a combined global Waisoi domain. Molybdenum was not modelled. A block model was constructed in Vulcan software using a parent cell size of 100m (east) x 100m (north) x 15m (RL) with no sub-blocking due to the bulk scale of mining selectivity assumed.

The estimate has been interpolated using a Bivariate Uniform Conditioning (BVUC) method with sensitivity analysis done using Ordinary Kriging and Indicator Kriging.

Uniform Conditioning (UC) is a non-linear technique that estimates the SMU distribution (blocks) for a given panel using the estimated grade of the panel and a change of support model. The name “uniform conditioning” comes from the assumption that at zero cut-off the distribution of the blocks is the panel itself, and thus if the panel grade is known then the distribution of blocks inside the panel is also known. Copper is the primary variable for the UC which defines the grade of the panel and therefore the distribution of the blocks. The bivariate implementation (BVUC) is the estimation of the recovered gold grade that is associated with the recovered copper grade. The UC method assumes a). the primary grade variable (copper) architecture is diffusive and b). bivariate normality assumptions are plausible. Tests conducted have shown that that both assumptions are reasonably justified.

Classification of the resource is at an Indicated and Inferred category only (i.e. there is no Measured category material). The well drilled high-grade core areas in Waisoi East and Waisoi West are classified as Indicated, whereas material outside the Indicated classification but inside the constraining pit shell has been classified as Inferred.

6. MARSDEN (NSW)

The Marsden copper-gold porphyry deposit is located on Newcrest Exploration License 5524 which lies between the NSW towns of Forbes and West Wyalong.

A program of 10 drill-holes completed during the year and associated studies supported an increase in the classification of the greater part of the deposit from an Inferred Resource to an Indicated Resource. In addition changes in to metal price assumptions also effectively lowered the economic cut off grade and consequently increased the resource. The combined impact has increased the Marsden Mineral Resource to 217 Mt containing 1.2 million ounces of gold, 0.71 million tonnes of copper metal. Some molybdenum also exists.

Pre-feasibility level studies are in progress for the resource examining various options around the extraction from a medium to large open pit and conventional flotation recovery of copper and gold concentrates. This work is incomplete and no Ore Reserves have been estimated for Marsden.

Mineral Resource

The Marsden Mineral Resource is reported on a 'value' basis (material above zero dollar cut-off) similar to that used for Open Pit Mineral Resources in Cadia Valley. The value estimation includes long term revenue assumptions and incorporates mining costs based on similarities to Cadia Hill with allowance for cover stripping, expected mill recoveries, and anticipated realization costs. A notional US$1000/oz Au and $4/pound Cu pit shell is also used to spatially limit the Mineral Resource. In addition, a volumetric constraint based on drilling density is applied within the pit shell.

Marsden is a body of porphyry-style Cu-Au mineralization in intrusive rocks. The deposit lies about 120m below the surface under un-mineralized riverine clays and sands. There is a thin horizon of oxidized, mineralized intrusive rock at the base of this cover sequence which is not included in the resource, thus the upper surface of the fresh intrusive rock forms the upper boundary of the Mineral Resource. The deposit is terminated on their eastern side and at depth by a major, west-dipping regional fault called the Marsden Thrust, beneath which un-mineralized sediments occur. The northern, western and southern boundaries of the Mineral Resource are defined by the limits of drilling. The deposit has a higher-grade gold and copper core with grades generally decreasing away from this core with distance.

The Mineral Resource is defined by 54 core drill holes (both NQ3 and HQ3) drilled on approximately 100 x 100m and 100 x 50m grid spacing. Gold was determined by fire assay, and copper by ICP analytical techniques. All holes were either gyroscope and/or camera surveyed. Density was determined by displacement measurements on a large number of core samples. The grade estimation was by Ordinary Kriging.

7. MMJV (PAPUA NEW GUINEA)

In 2008 Newcrest entered into a joint venture with Harmony Gold Mining Company Limited (Harmony) to explore, develop and mine deposits located within leases in the Morobe province of Papua New Guinea. This joint venture is known as the Morobe Mining Joint Venture (MMJV). By June 2009 Newcrest had satisfied the conditions of the earn-in agreement and now hold a 50% interest in the MMJV.

Mineral Resource and Ore Reserve estimates for MMJV assets have been prepared on behalf of the joint venture by Competent Persons provided by Harmony. With the exception of the addition of a new resource estimated for the Nambonga discovery (located near Wafi-Golpu), no material changes have occurred since last year. Details of estimates for Hidden Valley & Kaveroi, Hamata, Wafi, Golpu and Nambonga will appear on the Harmony website www.harmony.co.za