

NEWCREST



Market Release

14 October 2004

Kencana Mineral Resource Update

Newcrest Mining Limited has completed a new unaudited Mineral Resource estimate for the Kencana deposit at Gosowong in Indonesia, in which Newcrest has an 82.5% interest and its joint venture partner Aneka Tambang holds the remaining 17.5% interest.

The new estimate for the Mineral Resource is 1.7 million tonnes at 41 grams gold per tonne for 2.2 million ounces. This is an increase of 1.1 million ounces on the previous estimate reported in February 2004. The mineralisation remains open at depth and to grid south, as shown on the accompanying long section.

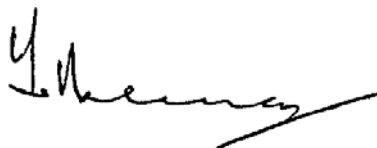
Newcrest's share of the new Mineral Resource estimate is 1.8 million ounces of gold. Drilling is continuing to investigate the extent of the mineralization. The Mineral Resource estimate stated in this release is derived from the accompanying Competent Person's statement.

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Gosowong Extended Project – Updated Kencana Mineral Resource Estimate Competent Person's Statement

An updated Mineral Resource estimate has been completed for high grade gold mineralization identified in the Gosowong Extended area within the Kencana Shoot. This area is located approximately 1km (true) south of the existing Gosowong Gold Mine, in Contract of Work No.B.143/PRES/3/1997, held by PT. Nusa Halmahera Minerals (82.5% Newcrest Mining Limited and 17.5% PT. Aneka Tambang). Gosowong is located in North Maluku Province of Eastern Indonesia.

The Kencana shoot strikes in a NW/SE direction and dips on average at 45 degrees to the NE. For ease of presentation a Gosowong Extended local area grid has been established by rotating north by 45 degrees to the west. In local grid co-ordinates the deposit therefore strikes north/south and dips to the east. All attached diagrams and text refer to this co-ordinate system.

A significant amount of new drilling has been incorporated into this updated estimate. This additional information has supported an improved understanding of the controls to the distribution of high grade epithermal mineralization within the Kencana shoot and allowed the Mineral Resource to be extended by approximately 150 metres to the south, 50 metres to the north and by 75 metres down dip resulting in a doubling of the estimate to 2.2 MOz Insitu gold metal. Details are shown in table 1 below:

Gosowong Extended	Category	Tonnes	Grade	Gold Insitu	Grade	Silver Insitu
Unit		(Mt)	(Au g/t)	(MOz)	(Ag g/t)	(MOz)
Kencana Shoot	Indicated	0.65	45	0.94		
	Inferred	1.0	38	1.3		
Total	Ind+Inf	1.7	41	2.2	TBA	TBA

Figures are reported to two significant figures as an indication of relative uncertainty in the estimate. This rounding may cause some apparent computational discrepancies. Gold grades shown are weighted averages. Estimates of silver grade are not yet available however are expected to be of similar tenor to the gold grades shown.

This estimate has been based on the definition of several mineralized domains, namely Main Zone (MZ), Sheared Zone (SZ), Hangingwall Stockworks (HWSW) and Footwall Stockworks (FWSW). The MZ contains the majority of high grade mineralization. It is of variable thickness and grade however it averages approximately 10 metres in width at 65g/t Au. The MZ is characterized by massive to brecciated chalky white quartz-adularia-sulphide banded veining that is locally overprinted by dark green chlorite-sulphide banded veins and minor late stage black sulphide. SZ mineralization is characterized by moderate to intense shearing, breccia and puggy clay after adularia. This brecciated mineralization typically contains wallrock and MZ fragments and quartz content varies between 0 and 100% dependant upon the amount of brecciation. SZ mineralization typically forms at the top (hangingwall) of the MZ, but is also present at other locations within the package. Stockwork mineralization occurs in both the hangingwall and footwall of the MZ and is characterized by stockwork veining with minor breccia zones. The veining is typically crystalline quartz with minor quartz-adularia banding and occurs in significant volumes with grades typically <10 g/t Au. Figure 1 (attached) shows a typical cross section of the Kencana shoot.



Drilling data that has been used to inform this estimate is entirely diamond core and is predominately of HQ3 in size. A total of 119 holes have been drilled in the area. A total of 82 holes have intersected the Kencana shoot at a high angle from the hangingwall side of the deposit in the modeled area. Core recovery is generally >90% however some zones of poor core recovery do exist. Sensitivity of core recovery to the estimate has been tested and was found to not materially affect the results. The drill spacing is approximately 25 x 25 metres in the Indicated and 50 x 50 in the Inferred Mineral Resource areas respectively. All drill-hole collar positions have been surveyed and down-hole data positions located by Eastman camera.

Half core samples of variable length have been used for determination of precious metal content. Gold grades have been determined by 50g fire assay with AAS finish and silver by AAS. Where fire assay indicated gold grades >80g/t a gravimetric method has been applied. A routine comprehensive quality control process has been employed throughout the data acquisition period using blind submissions, standards and duplicates to ensure data integrity. Density has been determined on 143 core samples.

This Mineral Resource has been estimated using a 2D Metal Accumulation approach. This method involves projection of accumulated metal and thickness information onto a plane and interpolating those variables in 2D space by ordinary kriging. Grades are then back calculated and the model reconstructed in 3D space. This method is regarded as the best method for estimating narrow high grade deposits. Benefits of this method include closer honouring of precise hangingwall and footwall locations, improved variography, avoidance of potential biases in the estimate and improved geometrical results for input into mine planning.

From grid north to south the model extends from 20,050mN to 19,650mN. Ore grade intercepts have been drilled further to the south and the deposit is considered to be open in that direction, possibly with a change of strike. The top of the deposit is well defined and varies between 0 and -50mRL. The model has been terminated at -200mRL however mineralization remains open at depth. Figure 2 (attached) illustrates a long section view of the deposit showing drill intercepts and model limits by classification. This Mineral resource has been reported above a 6g/t Au cut-off based on preliminary planning for an underground mine at Gosowong Extended.

The information in this statement that relates to Mineral Resources is based on information from Mr. Colin Moorhead who is a member of the Australasian Institute of Mining and Metallurgy and a full time employee of Newcrest Mining Limited. Mr. Moorhead has sufficient experience which is relevant to this style of mineralization and the activity which he is undertaking to qualify as a Competent Person as defined in the 1999 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves" (The JORC Code). Mr. Moorhead consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

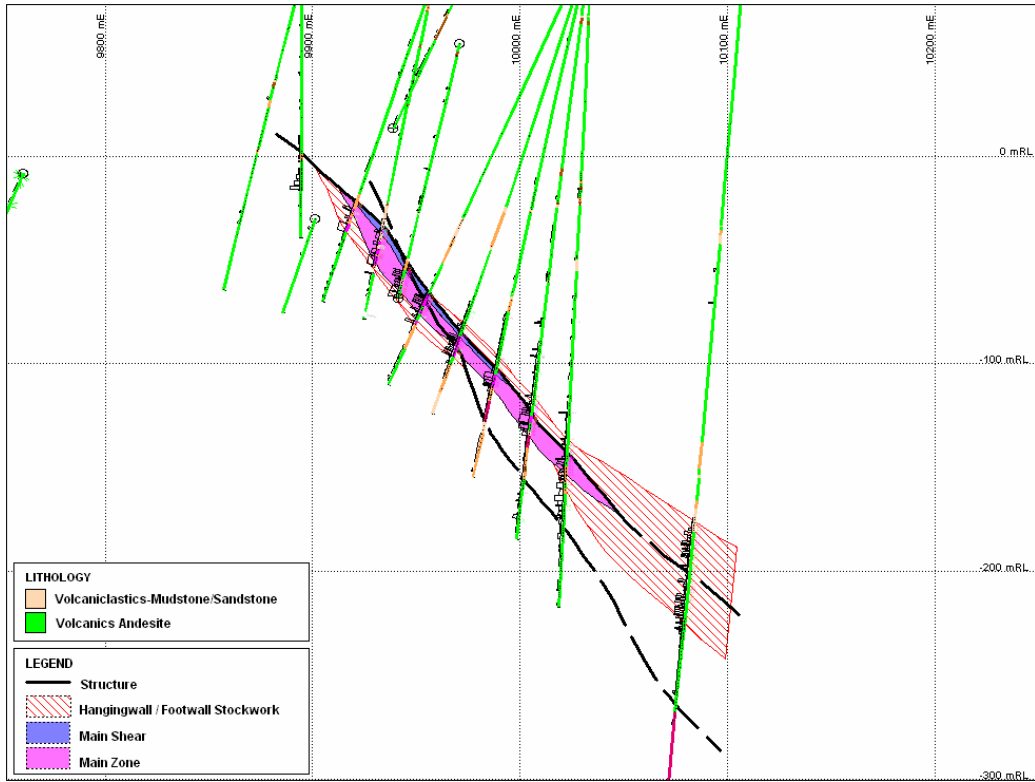


Figure 1. 19,900mN Cross Section

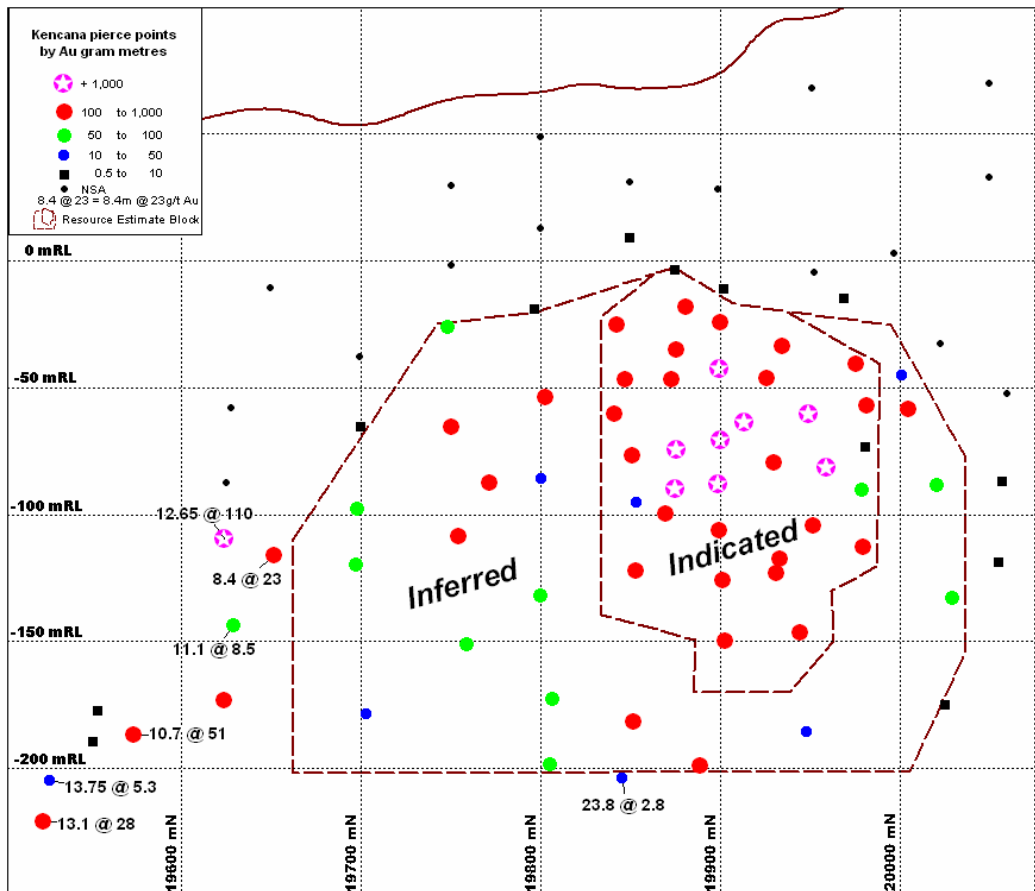


Figure 2. Kencana Longitudinal Section