

Newcrest Mining Limited



Half Year Financial Results December 2006

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H1 2006/07 performance overview

Financial

- NPAT before hedge restructure increased by 5% to \$84.0M
- NPAT after minority interest declined 50% to \$37.0M
- Cash flow from operations \$186.0M up 321%
- Gearing 49%

Growth

- Completion of two projects – Telfer underground & Kencana
- Growth projects at Cadia Valley on schedule & budget
- Exploration focus maintained

Operations

- Gosowong and Telfer production increased
- Cadia Valley declined in-line with expectations
- Cracow steady

Production: gold steady and copper declined

Mine	Gold Production (ounces)		Copper Production (tonnes)	
	Dec 2006	Dec 2005	Dec 2006	Dec 2005
Cadia Valley Operations	241,775	338,736	29,168	32,721
Cracow (70%)	37,171	37,290	-	-
Gosowong	168,342	81,519	-	-
Telfer ⁽¹⁾	316,698	309,969	15,956	20,747
Total Production	763,986	767,514	45,124	53,468

(1) December 2006 includes Telfer underground pre-commissioning production of 28,916 oz of gold and 2,594 t of copper

Revenue lifted by improved commodity price environment and reduction in hedging

	Dec 2006	Dec 2005
Gold sales (oz) ⁽¹⁾	817,601	768,280
Achieved gold price (\$A/oz)	647	569
Spot gold price (\$A/oz)	812	629
Gold sales (\$A million)	510.4	437.0
Copper sales (tonnes) ⁽¹⁾	46,907	55,988
Achieved copper price (\$A/lb)	2.53	1.83
Spot copper price (A\$/lb)	3.75	2.72
Copper sales (\$A million)	247.2	225.7
Net Sales Revenue (\$A million) ⁽²⁾	645.5	591.6

(1) December 2006 includes Telfer underground pre-commissioning sales of 28,916oz gold and 2,594t of copper

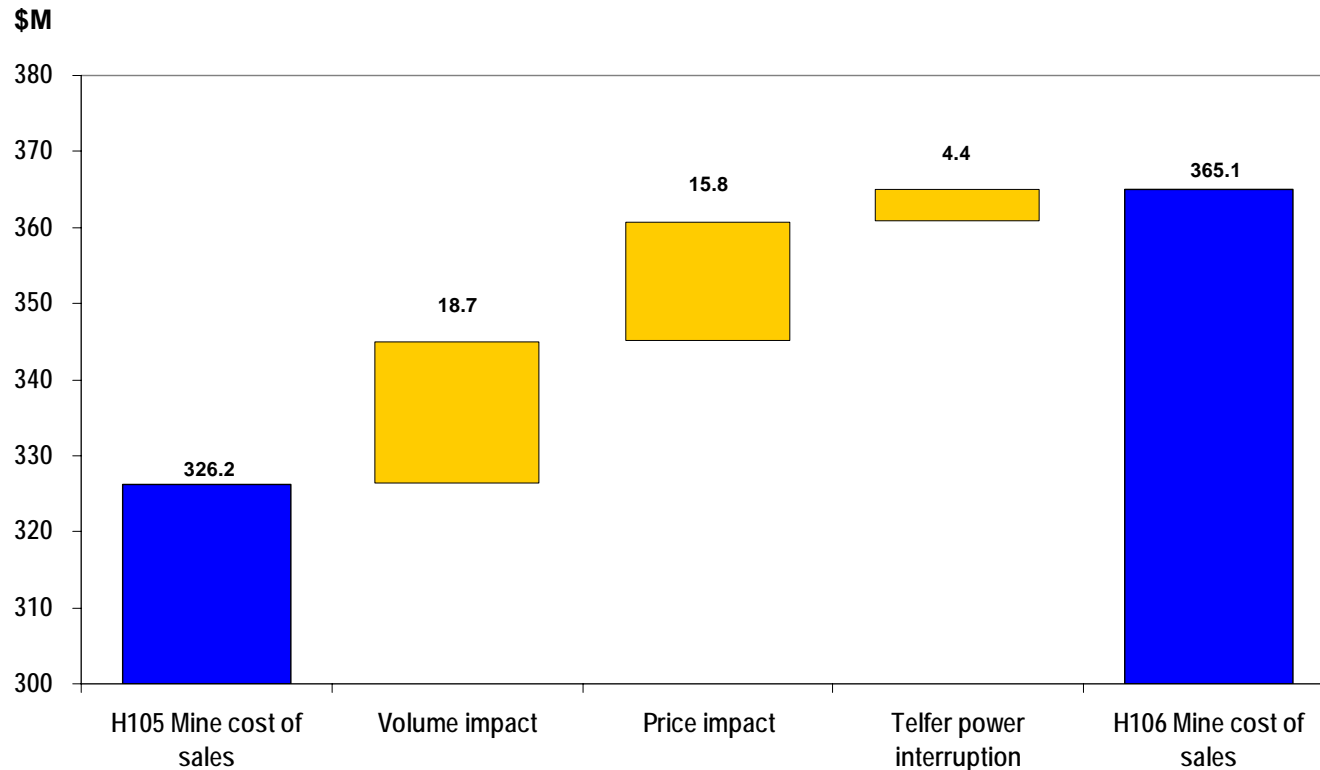
(2) Sales Revenue is net of royalty and realisation costs and before hedge restructure.

On a global comparison cash costs are low (spot basis)

6 months to 31 December	2006 A\$/oz	2005 A\$/oz
Cadia	18	265
Cracow (70%)	362	292
Ridgeway	(452)	(206)
Telfer	432	237
Gosowong	242	374
Total cash cost- spot	149 [US\$112]	153
Total cash cost- achieved	310 [US\$233]	289

- Depreciation costs on a production basis increased from A\$118/oz to A\$126/oz

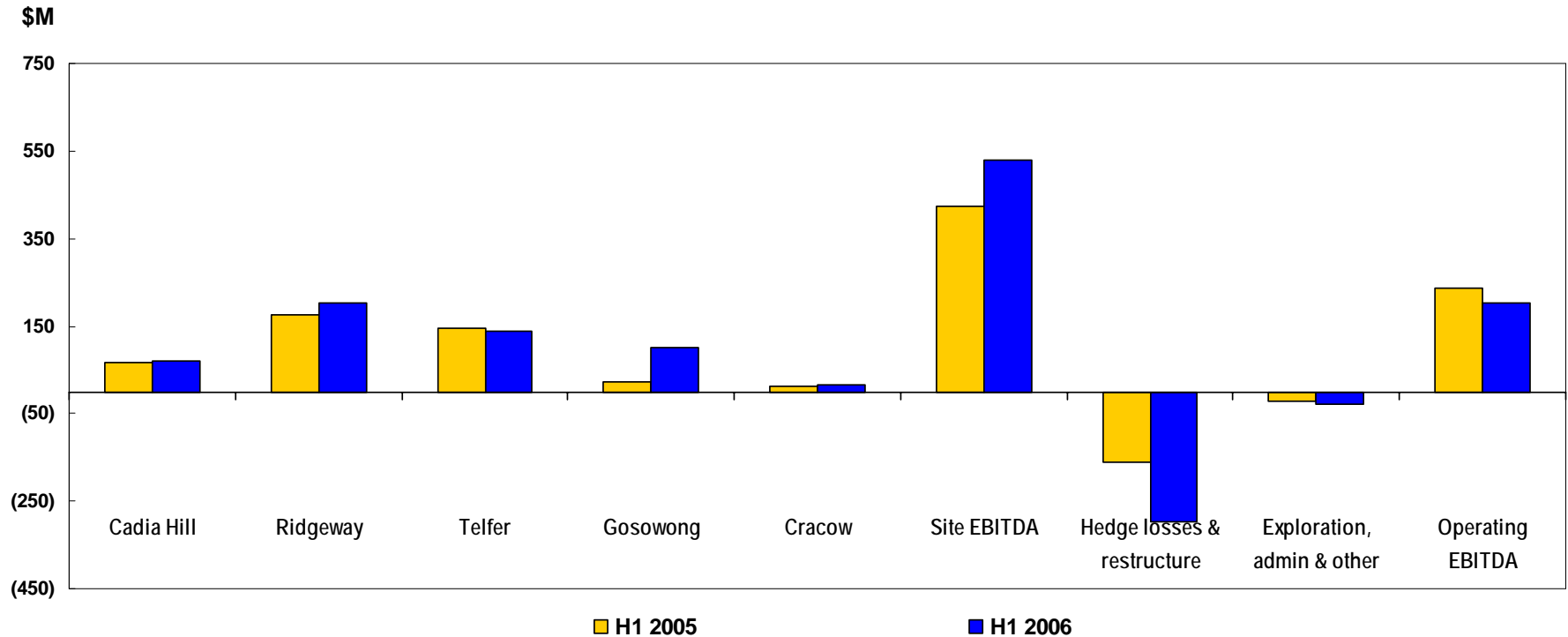
Mine cost increases continued but at a reduced rate



- Cost increases are represented - 55% volume
- 45% price
- Labour, power, maintenance and fuel / lubricants represent 61% of total costs
- Cost increases are slowing, although WA remains a concern

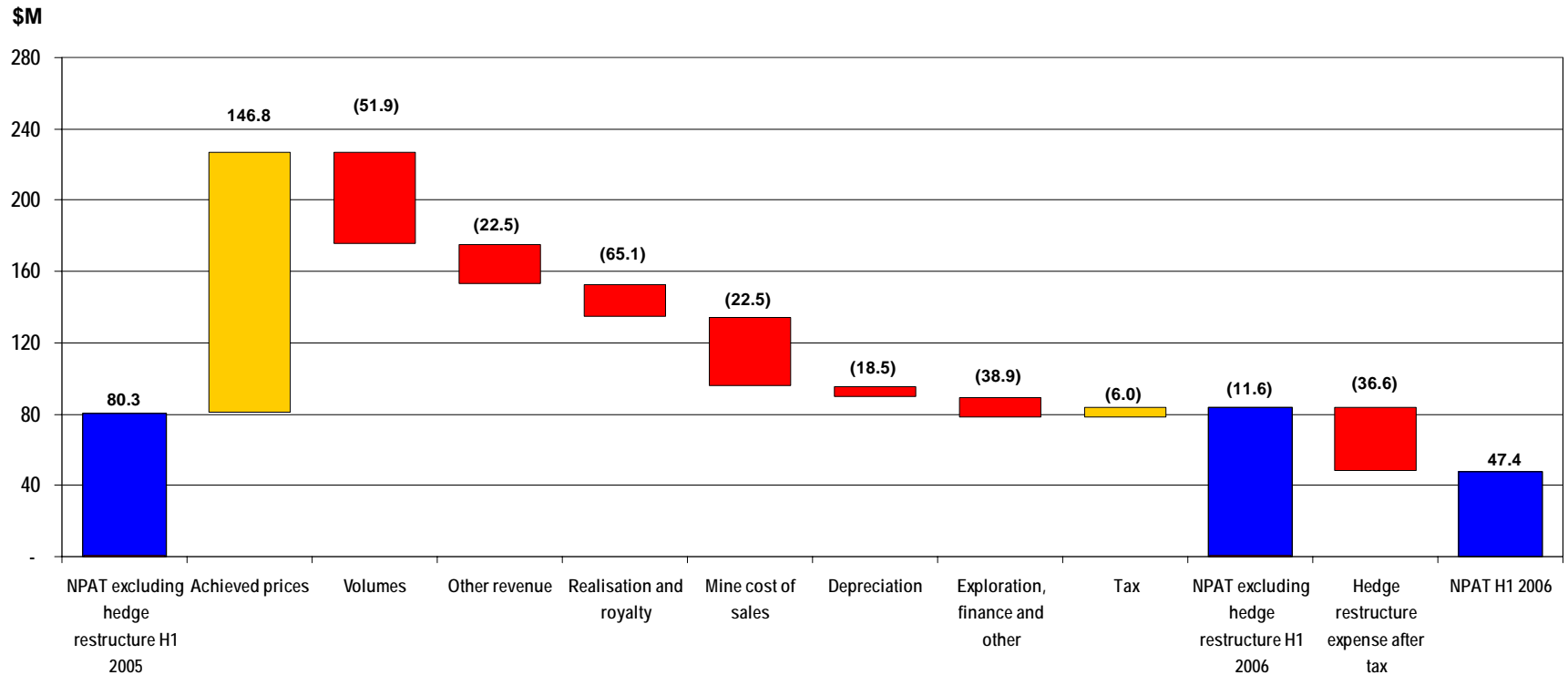
EBITDA by operation – spot prices

Site EBITDA improved by \$107M offset by increase in hedging losses of \$134M



- Spot mine EBITDA margin increased 25%
- Operating EBITDA margin decreased 15%

NPAT (1)



- Realisation higher due to increased price participation
- Depreciation higher due to increased sales volumes
- Tax lower due to higher Telfer R & D claim

(1) NPAT before minority interest

Capital expenditure in-line with annual guidance of \$301M

	6 months Dec 2006 (\$M)	6 months Dec 2005 (\$M)
Sustaining	39.1	41.3
Development	18.9	23.3
Projects	58.4	28.3
	<hr/> 116.4 <hr/>	<hr/> 92.9 <hr/>
Telfer Project	24.5	153.8
Total	140.9	246.7

Balance sheet stable

	Dec 2006	Jun 2006
Financial Derivative Liability (\$M) - mark to market fair value	1,496	1,792
Net Debt (\$M)	1,449	1,477
Gearing (Net Debt / Net Debt + Equity) - adjusted for hedge reserve ⁽¹⁾	49%	50%

(1) The hedge reserve represents the fair value of effective cash flow hedges carried on balance sheet in accordance with AASB 139

Summary of financial results

	Dec 2006	Dec 2005	Increase
	A\$M	A\$M	%
Net Sales Revenue (excluding HR)	645.5	591.6	9%
Net Sales Revenue	597.9	585.7	2%
EBIT (excluding HR)	153.1	152.1	1%
EBIT	105.5	146.2	(28%)
NPAT (excluding HR)	84.0	80.3	5%
NPAT and MI	37.0	74.2	(50%)
EPS	11.1	22.4	(50%)
EPS adjusted for hedge restructure	22.1	23.6	(6%)
Cash flow from Operations	186.0	44.2	321%

HR = Hedge restructure

Telfer update

- Underground achieved an annualised 4mtpa throughput rate
- No change to risk assessment
 - confirming reserve worst case is the worst case
- Focus remains on
 - people
 - reducing costs
 - confirming reserves (within risk envelope)
 - operating efficiency
- Optimisation of Underground

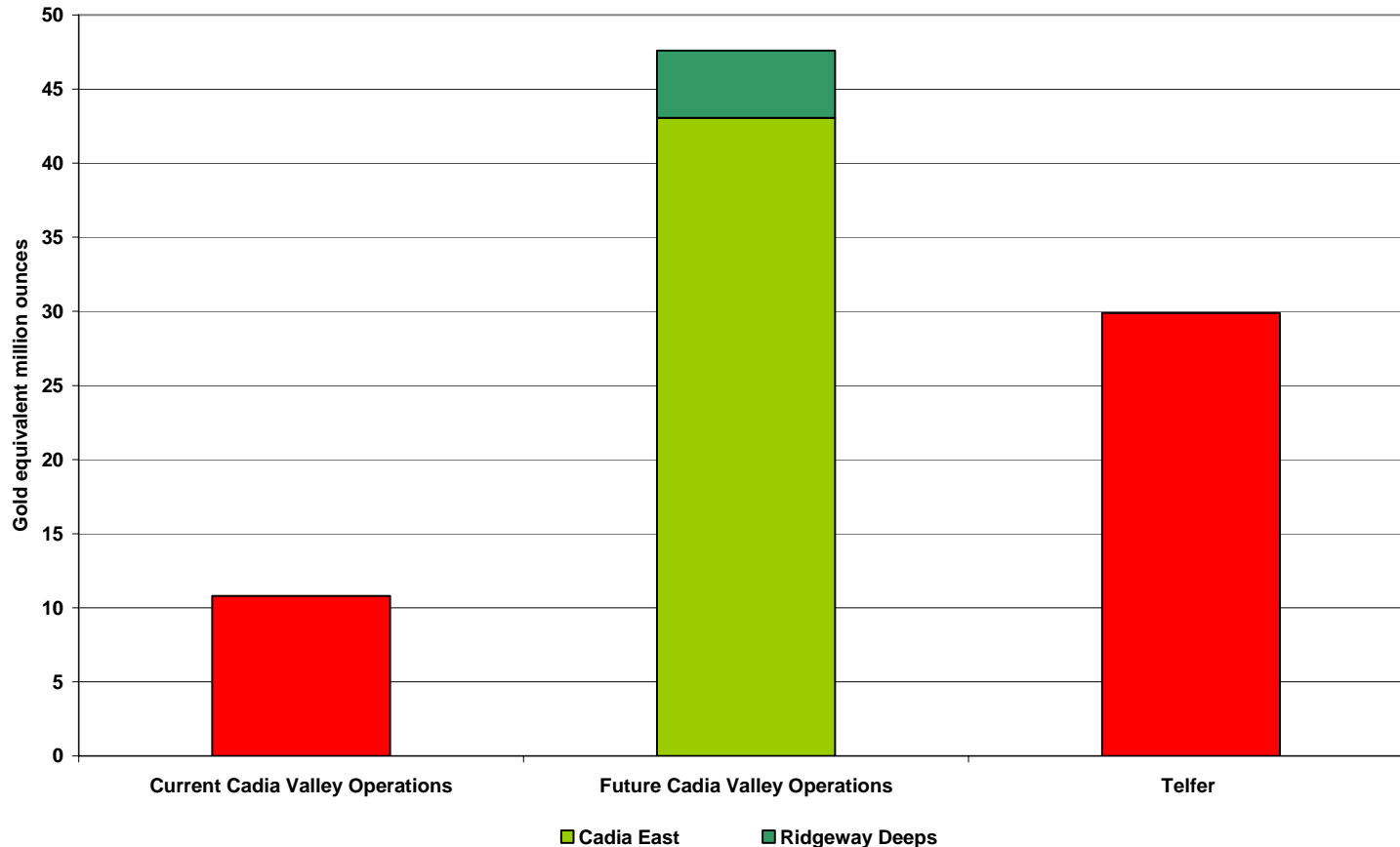
Projects



Cadia Valley

Project	Stage	Spend to Date	Key Milestones
Ridgeway Deeps	Feasibility (complete H1 CY07)	\$45M	<ul style="list-style-type: none"> • Low cost block caving mining method • Mine life of 10 years • Undercut level accessed Dec 06
Cadia East - Open Pit	Pre-Feasibility (Progress to Feasibility H1 CY07)	\$14M	<ul style="list-style-type: none"> • Selection of mining method & equipment • Cadia Hill transition strategy
Cadia East - Underground	Feasibility (complete H2 FY09)	\$35M	<ul style="list-style-type: none"> • Australia's largest underground mine • Panel caving mining method • Mine life in excess 30 years • Record development rate 280 m p/month • Project LTI free since commencement of work on 1/10/04 • Deepest blind panel cave in the world

Emerging importance of Cadia Valley projects – Mineral Resource 48M gold equivalent ounces



- Mineral Resources as at 30 June 2006 converted at A\$600/oz & A\$1.60/lb

Gosowong - K2 Extension

- Extension of existing decline from K1 to K2 and K-Link
- Development commence in H1 2007/08
- Estimated 12mths to ore from commencement of development
- Mineral Resource: 0.9 Moz Au
- Mining Method: Under hand cut and fill
- Use existing processing plant with minor upgrades
- Production commence in 2008/09. Combined K1 & K2 sustained above 300,000oz pa for over 6 years



Group's resources & reserves overview

- Expect Reserve upgrade at Cadia East & Kencana
- Mineral Resources to 30 June 2007 expected to be maintained
 - good exploration results at Marsden

Organisational Focus



First 6 months

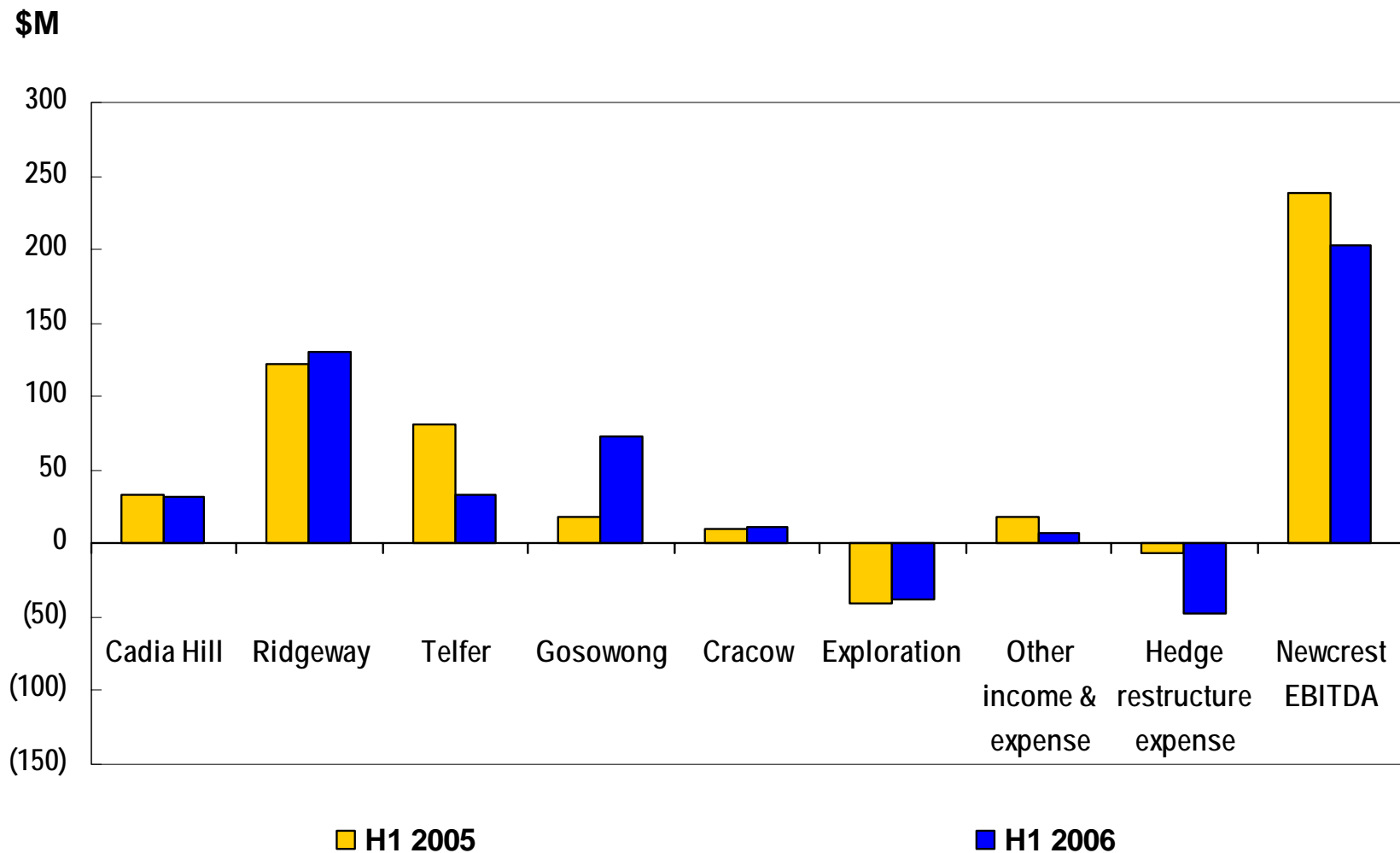
- Restructured executive management team and functional structure of business units
 - integrated projects and operations
- Partial restructure of hedgebook to increase gold leverage in initial 3 years
- Identified Telfer issues and implementing action plans to improve performance
- Introduction of new five year planning process across all business units

Next 12 months

- Improve all aspects of mining value chain
 - find, develop, operate & portfolio manage
- Deliver against new 5 year plan
 - deliver physical volumes
 - renew focus on improvement & industry benchmarks
 - cost discipline
 - continue to build underground skills
- Remain focused on stabilising Telfer
- Finalise Cadia Valley growth projects
- Deliver upside around Gosowong province
- Maintain commitment to exploration

Appendices

EBITDA by operations – achieved prices



Gross operating margin continued to improve

	Dec 2006	Dec 2005
Gross Sales Revenue	768.4	696.0
Less: Treatment and realisation	(101.3)	(81.5)
Less: Royalty	(21.6)	(22.9)
Net Sales Revenue	645.5	591.6
Less: Mine Costs	(365.1)	(326.2)
Gross Operating Margin ⁽¹⁾	280.4	265.4

(1) Prior to hedge restructure