

Half Year Financial Results December 2007
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H1 2007/08 Performance Overview

Financial

- Profit after tax⁽¹⁾ up 184% to \$207.9M
- Operating EBITDA up 80% to \$450.4M
- Loss after tax and minority interest \$8.1M
- Hedge book - 3.4Mozs removed
- 622,302 ozs in FY2012/13 remain at 15 February
- 1,034,630 ozs purchased since capital raising

Operational Highlights

- Gold production increased by 18%
- Cadia set for record year
- Ridgeway Deeps remains on track
- Telfer underground ramp-up above nameplate
- 07/08 full year production guidance maintained

Note: (1) before hedge restructure and close out impacts

Production



Gold Production (ounces)

Copper Production (tonnes)

	Dec 2007	Dec 2006	Dec 2007	Dec 2006
Mine				
Cadia Valley Operations	358,227	241,775	30,832	29,168
Telfer ⁽¹⁾	313,186	316,698	13,189	15,956
Gosowong	194,209	168,342	-	-
Cracow (70%)	39,099	37,171	-	-
Total Production	904,721	763,986	44,021	45,124

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

Financial Results Summary



	Dec 2007 A\$M	Dec 2006 A\$M	Increase %
Operating sales revenue	1,123.4	1,065.2	5.5%
Operating EBIT	309.3	152.3	103%
NPAT before HR and COI	207.9	73.1	184%
NPAT after minorities	(8.1)	37.0	(122%)
Cash flow from operations	377.5	186.0	103%

HR = Hedge restructure COI = Close out impacts

Revenue

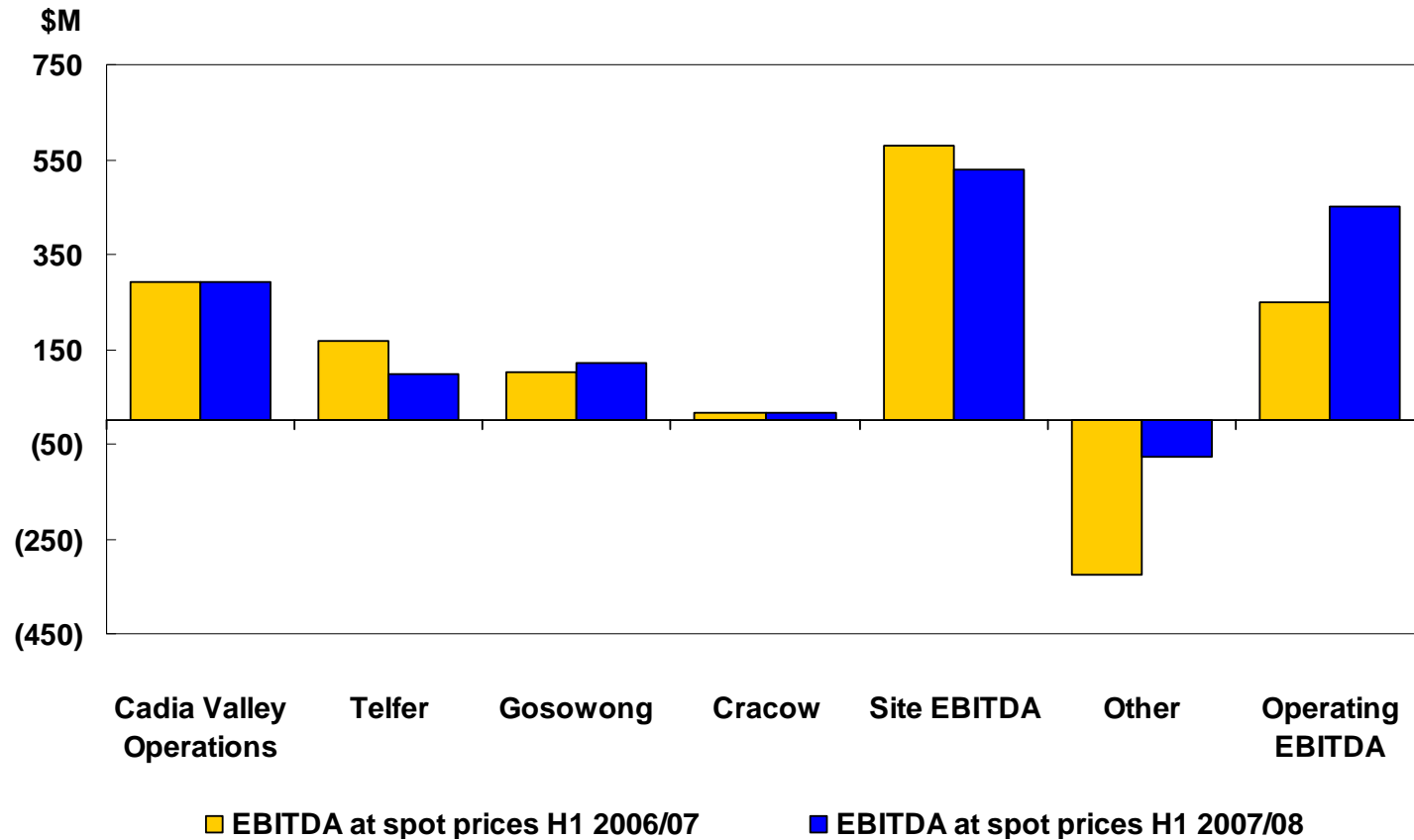


	Dec 2007	Dec 2006
Gold sales (oz) ⁽¹⁾	891,484	788,685
Average spot gold price (A\$/oz)	843	815
Achieved gold price (A\$/oz)	805	650
Gold sales (\$Am)	751.2	642.6
Copper sales (tonnes) ⁽¹⁾	43,112	44,313
Spot copper price (A\$/lb)	3.80	4.22
Achieved copper price (A\$/lb)	3.80	3.00
Copper sales (A\$m)	361.4	411.8
Gross Operating Sales Rev. (\$A m)	1,123.4	1,065.2

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

EBITDA by Operation

EBITDA higher by \$200 with lower hedges



Gold Hedge Book Close Out



Original hedge book 4.0 mozs (at Sept 07), close out:

- **Overall 3.37m ozs (\$845/oz)**
 - Pre equity offering – 2.3mozs (\$831/oz)
 - Post equity offering – 1.0mozs (\$877/oz)

- **Post equity offering - 1,034,630 ozs (A\$877/oz)**
 - First quarter – 507,088ozs (A\$824/oz)
 - 15 February - 527,542ozs (A\$927/oz)

- **Remaining 622,302 ozs (2012/2013)**
 - Mark-to-market negative \$390million
 - Remove by mid September 2008

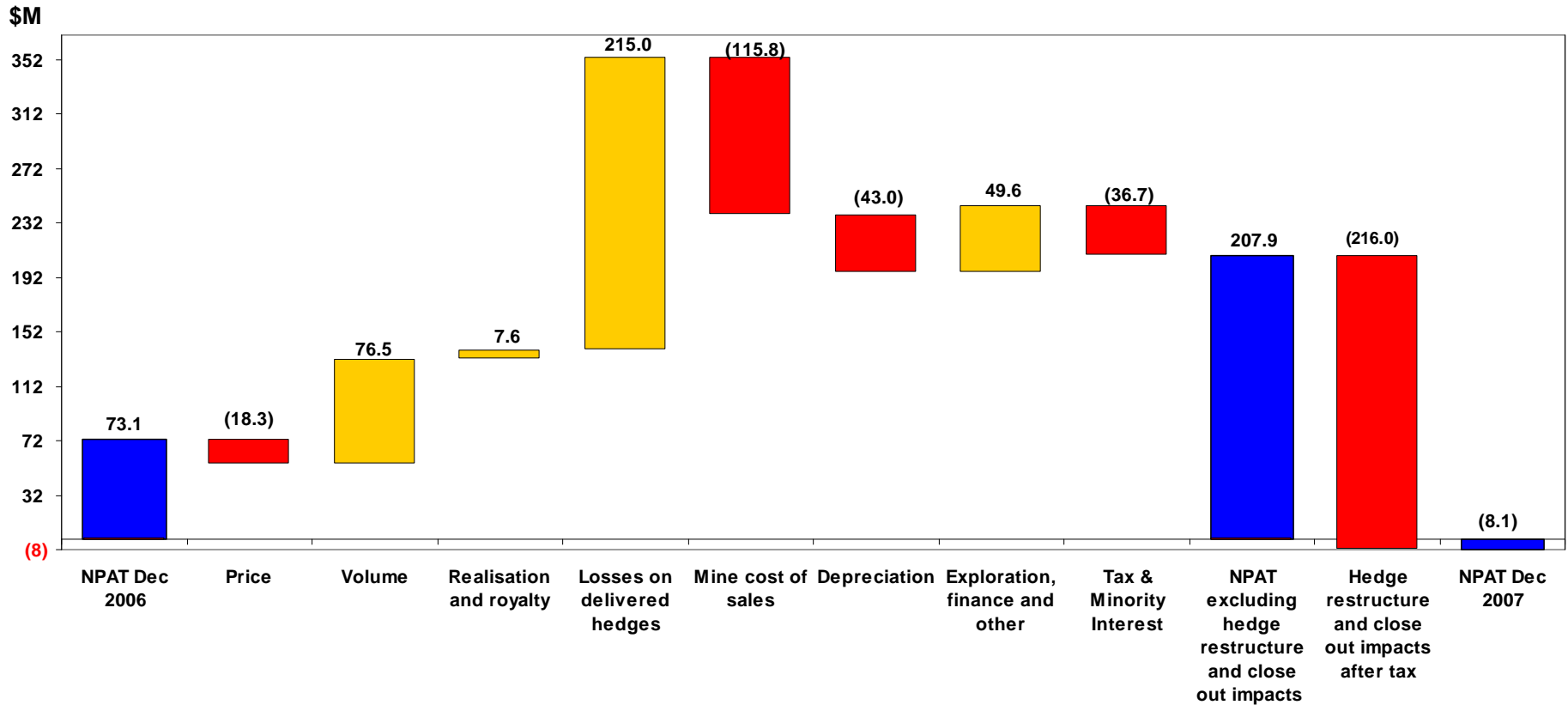
Hedge Accounting Impacts



- **Restructure and close out accounting costs:**
 - Continue for next 5 years
 - FY2008, loss of \$219.6m (after tax)
 - FY2009, loss of \$246.5m (after tax)
 - Fully disclosed in financial report

- **Gold bullion forwards**
 - 622,302 ounces remaining
 - Mark to market through P&L
 - Current half year negative \$122.1m (after tax)
 - Intent to remove by late September 2008

Key Impacts



Capital Expenditure



	6 months Dec 2007 (\$M)	6 months Dec 2006 (\$M)
Sustaining	42.0	39.1
Projects Under Construction	60.2	18.9
Project Studies	21.6	58.4
	123.8	116.4
Telfer Project	-	24.5
Total	123.8	140.9

Strong Balance Sheet



	Dec 2007	Jun 2007
Total Equity (\$M)	2,934.1	940.8
Net Debt (\$M)	99.9	1,319.6
Gearing (Net Debt / Net Debt + Equity) - adjusted for hedge reserve ⁽¹⁾	3%	46%
Net operating cash flow (\$M)	378	186

(1) The hedge reserve represents the fair value of effective cash flow hedges carried on the balance sheet. In accordance with AASB 139, this was not adjusted in December 2007 due to the equity raised being used to close out the hedge book.

Projects



Ridgeway Deeps

- Development ahead of schedule
- Potential for second block cave being assessed

Namosi

- Concept study commenced

Kencana

- Pre-purchase of mining equipment approved

Projects



Cadia East Open Pit

- Pre-feasibility study approved
- Cadia East and Cadia Hill open pits to be combined

Cadia East Underground

- Bulk sample drive intersected orebody ahead of schedule
- Collecting bulk sample for processing at CVO

Exploration



Namosi

- First core hole past 500m to final depth 1000m
- Second drill rig to commence this week

Marsden

- 23 hole core drilling program commenced
- Mineralisation open to the south
- Expect over 1Moz resource by mid-year

Cadia East

- Extensions to east and west continue

Exploration



Telfer

- Flat lying East Pod identified near SLC
- Regional surface drilling about to commence

Kencana

- Latest drilling at Kencana include:
 - 17m @ 34g/t Au at K1north, and
 - 9.4m @ 321g/t Au at K-Link

Yilgangi

- Encouraging RC drilling results
- Mineralised structure identified
- Follow-up drilling planned

Operations



Cadia Hill

- Cadia Hill set for record year
- Higher grades to continue through March quarter

Ridgeway

- Gold and copper grades lifting as forecast
- Sublevel cave continues to perform well

Operations



Gosowong

- Record production in September quarter
- Ground conditions improving
- K2 access development commencing

Cracow

- Record milling rates sustained
- Sale process progressing satisfactorily

Operations



Telfer

- Underground ramp-up exceeded nameplate
- Underground grades increasing as forecast
- Encountering harder and more abrasive ore
- Completed planned maintenance shutdown:
 - Process plant
 - Power station
 - Underground ore handling system
- Driving fleet performance and plant throughput

Operations

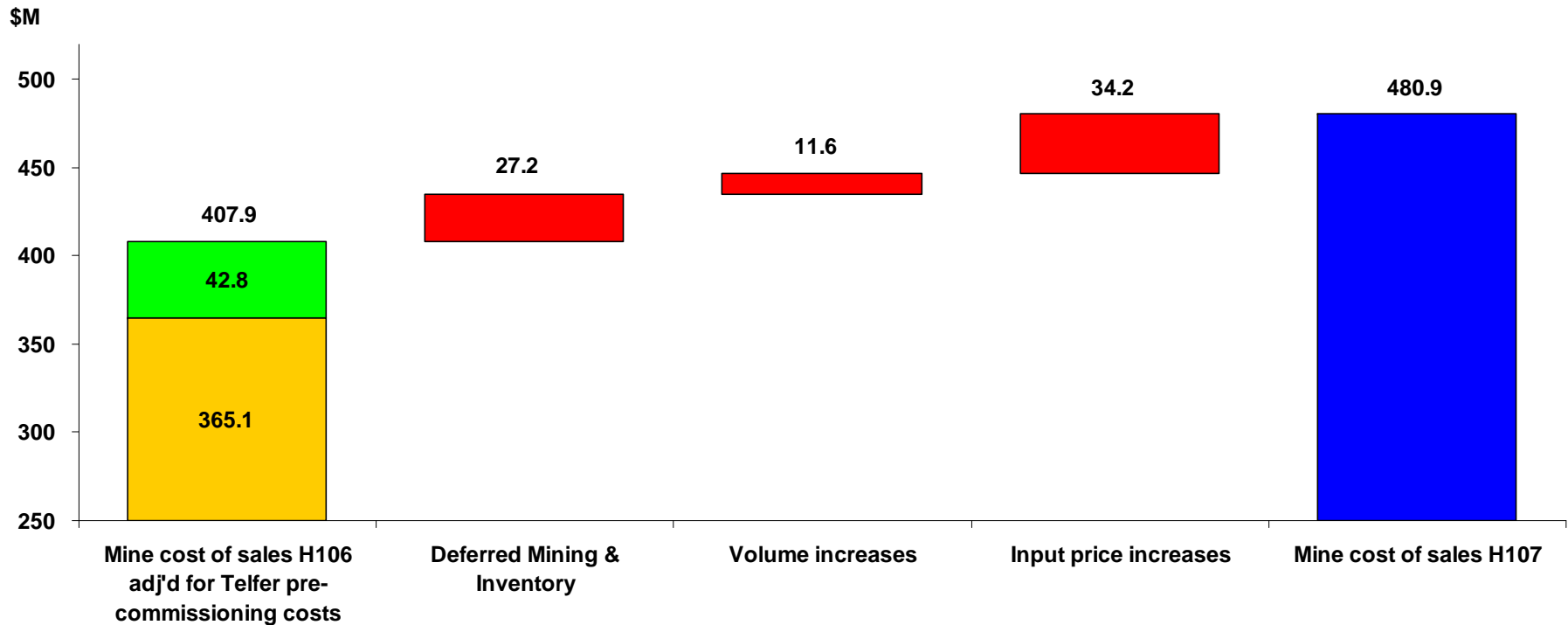


	Telfer Reserve Grade		Telfer Grade (H108)	
	Open Pit	Underground	Open Pit	Underground
Gold (g/t)	1.0	1.7	0.99	1.50
Copper (%)	0.11	0.36	0.13	0.38

Mine Cost of Sales



Input price increases of 8%



Input Price Increases

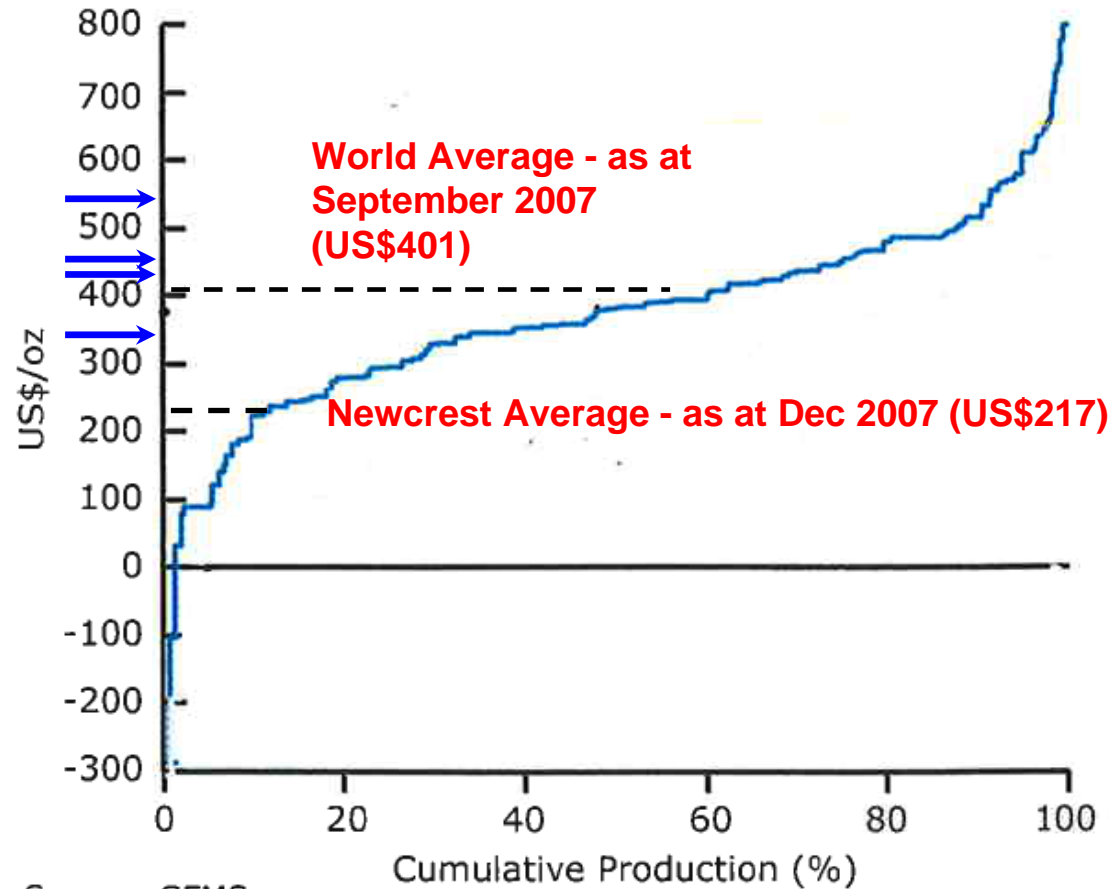


Key Driver	% of Input Price Increase	% Increase over 12 Months	Comment
Maintenance	25%	20%	Cadia fleet age 13%, Telfer additional fleet
Consumables	24%	5%	Liners + grinding media 3%, minor increases across most consumables
Chemicals & Reagents	13%	10%	Cyanide 6%, flotation reagents
Labour	11%	8%	Salary increases 5.5%, incentive payments and retention bonus
Fuels & Lubricants	10%	4%	Price increases across the range

Cash Costs



2008 cash cost
guidance reported by
significant producers



Source: GFMS