



# Market Release

## Newcrest Mining Limited

19 August 2008

### 2008 Resources and Reserves Statement

Newcrest Mining Limited has updated its Mineral Resources and Ore Reserve estimates for the year ended 30 June 2008. The company's Mineral Resources and Ore Reserves have increased substantially net of mining depletion.

Group Mineral Resources are estimated at 70.6 million ounces of gold and 9.18 million tonnes of copper. This represents a year on year increase for gold of 28% or 15.4 million ounces and increase for copper of 62% or 3.53 million tonnes. Group Ore Reserves are estimated at 40.0 million ounces of gold and 4.15 million tonnes of copper. This represents a year on year increase for gold of 20% or 6.8 million ounces and increase for copper of 54% or 1.45 million tonnes.

The key points of the 2008 statement are:

- Growth in Mineral Resources was driven by significant increases at Cadia Valley (8.4 million ounces of gold and 2.37 million tonnes of copper) and the acquisition of 50% equity in the Harmony PNG assets (7.3 million ounces of gold and 0.88 million tonnes of copper).
- Growth in Ore Reserves was again driven by increases at Cadia Valley (4.9 million ounces of gold and 1.04 million tonnes of copper) and the acquisition of (50%) equity in the Harmony PNG assets (2.1 million ounces of gold and 0.40 million tonnes of copper).

Cadia Province is comprised of the Cadia Hill open pit and Ridgeway underground mines, in addition to the Ridgeway Deeps and Cadia East development projects. Notable changes relate to the significant increase in resource and reserve estimates for Cadia East and an initial Mineral Resource for Big Cadia. At Cadia East, Mineral Resource and Ore Reserve estimates have been revised as a panel cave operation compared to the previously reported open pit and panel cave components. The Cadia East Mineral Resource has increased by 6.6 million ounces of gold and 1.88 million tonnes of copper. The Cadia East Ore Reserve has increased by 5.0 million ounces of gold and 1.0 million tonnes of copper. An initial Mineral Resource for Big Cadia, located northeast of the Ridgeway mine, is reported. This resource is estimated to contain 0.44 million ounces of gold and 0.17 million tonnes of copper mineable by open pit.

PNG JV Mineral Resources and Ore Reserves are based on a Competent Persons statement provided by Harmony Gold Mining Company Limited and are quoted assuming a 50% interest<sup>1</sup>. These include gold and silver resources and reserves at Hidden Valley and gold plus base metal resources and reserves at Wafi-Golpu. Metal prices assumptions used by Harmony to convert resources to reserves are US\$750/oz for gold, US\$2.40/lb for copper and US\$20/lb molybdenum. Details are available on [www.harmony.co.za](http://www.harmony.co.za).

Metal price assumptions for all Newcrest Mineral Resources are US\$600/oz for gold and US\$1.70/lb for copper. Price assumptions for Ore Reserves are US\$550/oz for gold and US\$1.50/lb for copper. Resources and reserves are sensitive to metal price at Cadia Valley, Telfer and Marsden due to the diffuse nature of the mineralisation and the presence of both gold and copper as significant value drivers. High grade discrete veins mined at Gosowong and Cracow are relatively insensitive to metal price. It is estimated that application of higher metal price assumptions contributed approximately 5.8 million ounces of gold and 1.27 million tonnes of copper to Group Mineral Resources and 3.5 million ounces of gold and 0.60 million tonnes of copper to Group Ore Reserves.

Information in this report that relates to Mineral Resources and Ore Reserves is based on and accurately reflects reports prepared by the Competent Person named beside the information. All these persons are full time employees of Newcrest Mining Limited, or the relevant subsidiary with the exception of Mr Greg Job who is a full time employee of Harmony PNG Service Pty Ltd. Named Competent Persons consent to the inclusion of material in the form and context in which it appears. This Mineral Resources and Ore Reserves statement was compiled by Mr Dean Collett, General Manager Resources and Reserves, Newcrest Mining Limited. All Competent Persons named are Members of the Australasian Institute of Mining and Metallurgy and/or The Australian Institute of Geoscientists and have the relevant experience in relation to the mineralisation being reported on by them to qualify as Competent Persons as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition).

Ore Reserves quoted are a subset of Mineral Resources. Independent external and internal reviews have been conducted on all completed Newcrest estimates. More detailed information on the methods and parameters used to estimate Mineral Resources and Ore Reserves is presented on our website at [www.newcrest.com.au](http://www.newcrest.com.au).

<sup>1</sup> On 22 May 2008, Newcrest (through its PNG-incorporated subsidiaries Newcrest PNG 1 Ltd, Newcrest PNG 2 Ltd and Newcrest PNG 3 Ltd), entered into a Master Purchase and Farmin Agreement (MPFA) pursuant to which it became entitled to acquire a 50% interest in PNG based assets belonging to Harmony Gold, including specified mining and exploration licences (PNG JV Assets).

Newcrest's entitlement to acquire this interest under the MPFA is in two stages. In **Stage 1**, which completed on 7 August 2008, Newcrest acquired a 30.01% interest in the PNG JV Assets by making a lump sum payment of USD 230 million to Harmony (based on 30.01% of the overall value of PNG JV Assets) plus Harmony capital expenditure expended between 1 January 2008 and 31 July 2008. That acquisition includes a registered interest of 30.01% in each of the specified mining and exploration licences referred to above.

**Stage 2** involves acquisition of the balance of 19.99% of the PNG JV Assets. To complete Stage 2, Newcrest must, pursuant to cl 6.1 of the MPFA, fund the full amount of JV expenditure up to the earlier of 30 June 2009, or a "cap" of USD 306 million (over and above the Stage 1 contribution), or the date on which the Hidden Valley mine is commissioned. Upon completion of Stage 2, Harmony will transfer the additional 19.99% of its interest in the PNG JV Assets to Newcrest including a registrable interest of 19.99% in each of the specified mining and exploration licences referred to above.

Newcrest's has a clear contractual entitlement to acquire a 50% interest in the PNG JV Assets in exchange for ongoing funding contributions as outlined in the MPFA, absent any default by it.

For further information, please contact:

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## 2008 Mineral Resources

2008 Mineral Resources	Measured Resource			Indicated Resource			Inferred Resource			Total Resource			Contained Metal		
	Dry Tonnes (million)	Gold Grade (g/t Au)	Copper Grade (% Cu)	Dry Tonnes (million)	Gold Grade (g/t Au)	Copper Grade (% Cu)	Dry Tonnes (million)	Gold Grade (g/t Au)	Copper Grade (% Cu)	Dry Tonnes (million)	Gold Grade (g/t Au)	Copper Grade (% Cu)	Gold (million ounces)	Copper (million tonnes)	Competent Person
Cadia Hill Open Pit #	230	0.6	0.14	35	0.5	0.15	152	0.3	0.09	417	0.5	0.13	6.3	0.52	1
Cadia Extended							37	0.4	0.23	37	0.4	0.23	0.5	0.08	1
Ridgeway Underground #	23	1.3	0.51	53	1.0	0.42	81	0.6	0.34	157	0.8	0.39	4.1	0.61	1
Big Cadia							34	0.4	0.50	34	0.4	0.50	0.4	0.17	1
Cadia East Underground				1,577	0.5	0.33	257	0.4	0.17	1,834	0.5	0.30	28.0	5.57	2
<b>Total Cadia Province - Gold and Copper</b>													<b>39.4</b>	<b>6.96</b>	
Main Dome Open Pit #	8.9	0.6	0.11	272	1.1	0.11	41	0.8	0.11	322	1.1	0.11	11.2	0.37	3
West Dome Open Pit				145	0.8	0.07	42	0.7	0.05	187	0.8	0.06	4.8	0.12	3
Telfer Underground				56	1.7	0.35	4.7	2.0	0.45	61	1.7	0.36	3.3	0.22	3
Telfer Satellite Deposits				0.6	4.2	0.03	1.7	2.6	0.08	2.3	3.0	0.07	0.2	0.00	3
<b>Total Telfer Province - Gold and Copper</b>													<b>19.5</b>	<b>0.70</b>	
Kencana Underground # *				2.4	35					2.4	35		2.7	N/A	4
Gosowong Pit # *							0.2	16		0.2	16		0.1	N/A	4
Cracow Underground # **	0.5	9.4		0.2	6.3		1.2	7.3		2.0	7.8		0.5	N/A	5
Harmony JV # ***	2.7	4.4	-	103	1.4	0.59	73	1.1	0.37	179	1.3	0.49	7.3	0.88	6
Marsden							185.7	0.2	0.35	186	0.2	0.35	1.1	0.64	1
<b>Total Other Provinces - Gold and Copper</b>													<b>11.7</b>	<b>1.52</b>	
<b>Total Gold &amp; Copper</b>													<b>70.6</b>	<b>9.18</b>	

1. Paul Dunham, 2. Dean Collett, 3. Richard Inglis, 4. Dale Sims, 5. James Francis, 6. Greg Job (Harmony PNG Service Pty Ltd)

\* The figures shown represent 100% of Mineral Resource. Kencana is owned and operated by Pt Nusa Halmahera Minerals, an incorporated joint venture between Newcrest (82.5%) and Pt Aneka Tambang (17.5%).

\*\* The figures shown represent 70% of the Mineral Resource. Cracow is an unincorporated joint venture between Newcrest (70%) and Sedimentary (30% - a wholly owned subsidiary of Lion Selection Group).\*\*

\*\*\* The figures shown represent 50% of the Mineral Resource. Newcrest has entered into an agreement with Harmony Gold Mining Company to earn 50% equity in the PNG assets.

## 2008 Ore Reserves

2008 Ore Reserves	Proved Reserve			Probable Reserve			Total Reserve			Contained Metal		
	Dry Tonnes (million)	Gold Grade (g/t Au)	Copper Grade (% Cu)	Dry Tonnes (million)	Gold Grade (g/t Au)	Copper Grade (% Cu)	Dry Tonnes (million)	Gold Grade (g/t Au)	Copper Grade (% Cu)	Gold (million ounces)	Copper (million tonnes)	Competent Person
Gold and Copper Reserves (# = includes stockpiles)												
Cadia Hill Open Pit #	134	0.7	0.16	2.4	0.4	0.17	137	0.7	0.16	2.9	0.21	1
Ridgeway Underground #	7.4	1.4	0.54	67	0.9	0.40	74	0.9	0.42	2.2	0.31	2
Cadia East Underground				828	0.6	0.32	828	0.6	0.32	15.8	2.68	1
<b>Total Cadia Province - Gold and Copper</b>										<b>20.9</b>	<b>3.21</b>	
Main Dome Open Pit #	8.9	0.6	0.10	266	1.0	0.11	275	1.0	0.11	9.0	0.30	3
West Dome Open Pit				141	0.7	0.06	141	0.7	0.06	3.0	0.09	3
Telfer Underground				45	1.7	0.36	45	1.7	0.36	2.4	0.16	3
<b>Total Telfer Province - Gold and Copper</b>										<b>14.5</b>	<b>0.55</b>	
Kencana Underground # *				2.5	29		2.5	29	-	2.3	-	4
Cracow # **	0.4	8.6		-			0.4	8.6	-	0.1	-	5
Harmony JV # ***	2.4	2.3	-	54	1.1	0.74	56	1.2	0.71	2.1	0.40	6
<b>Total Other Provinces - Gold</b>										<b>4.6</b>	<b>0.4</b>	
<b>Total Gold &amp; Copper</b>										<b>40.0</b>	<b>4.15</b>	

1. German Flores, 2. Geoff Dunstan, 3. Jason May, 4. Robbie Whitworth, 5. Justin Woodward, 6. Greg Job (Harmony PNG Service Pty Ltd)

\* The figures shown represent 100% of the Ore Reserve. Kencana is owned and operated by Pt Nusa Halmahera Minerals, an incorporated joint venture between Newcrest (82.5%) and Pt Aneka Tambang (17.5%).

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