Half Year Results FY20

13 February 2020

NEWCREST MINING LIMITED

Half Year Results & Update[1]

Key points and comparison to HY FY19

- Statutory profit[2] of $236m, in line with the prior period
- Underlying profit[3] of $280m, up 18%
- Gold production of 1.1 million ounces, down 12%
- Group All-In Sustaining Cost[3,4] (AISC) of $880/oz, 18% higher
- Group All-In Sustaining Cost[3] (AISC) Margin of $566/oz, 18% higher
- Cash flow from operating activities of $448m, down 3%
- Free Cash Flow[3] of negative $729m, though was positive $106m before acquisition of Red Chris and additional investment in Lundin Gold
- Unchanged interim dividend of US 7.5 cents per share, fully franked
- Positive drill results at Havieron and Red Chris and encouraging developments in relation to Wafi-Golpu

Newcrest Managing Director and Chief Executive Officer, Sandeep Biswas, said: "The first half of the financial year was one in which we invested for the future. We completed the acquisition of 70% of Red Chris, a mine with a potential Tier One orebody in Canada; we increased our investment in Lundin Gold, the owner of Fruta del Norte, a Tier One mine in Ecuador; and we delivered some excellent drill results at Havieron and Red Chris. At Lihir and Telfer we applied updated operating and maintenance strategies to optimise equipment uptime and utilisation and, in the case of Telfer, ore grade to the plant. At Cadia we approved to execution the first of two stages of our expansion of this Tier One multi-decade mine and recent developments in relation to the State of PNG to progress Wafi-Golpu are encouraging."

"It was reassuring to see further reductions in injury rates to very low levels at most of our assets. At Red Chris, where injury rates are higher than our other sites, we have started embedding our Safety Transformation Plan with the rollout of Newsafe."

In this half year Newcrest produced 1.1 million ounces of gold at an All-In Sustaining Cost (AISC) of $880 per ounce, representing an AISC margin of $566 per ounce. EBITDA was $756 million.

"Adding back the expenditure to acquire Red Chris and more shares in Lundin Gold, the adjusted Free Cash Flow for the half was $106 million. As with past years, Newcrest expects the second half Free Cash Flow to be significantly stronger than the first half," said Mr Biswas.

The Board of Newcrest has determined a US 7.5 cent fully franked dividend per share which will be paid on 27 March 2020.

Summarised Financial and Operating Results

	Endnote	Metric	2019	2018	Change	Change %
			For the 6 months ended 31 December			
TRIFR	5	mhrs	2.3	2.3	0	0%
Production - gold		oz	1,062,751	1,203,200	(140,449)	Down 12%
- Copper		t	62,468	51,770	10,698	Up 21%
Revenue		$m	1,790	1,730	60	Up 3%
EBITDA	3	$m	756	739	17	Up 2%
EBITDA margin	3	%	42.2	42.7	(0.5)	Down 1%
EBIT	3	$m	459	397	62	Up 16%
EBIT margin	3	%	25.6	23.0	2.6	Up 11%
Statutory profit	2	$m	236	237	(1)	0%
Underlying profit	3	$m	280	237	43	Up 18%
Cash flow from operating activities		$m	448	464	(16)	Down 3%
Free Cash Flow*	3	$m	(729)	176	(905)	Down 514%
All-In Sustaining Cost	3	$/oz	880	747	133	Up 18%
All-in Sustaining Cost Margin	3	$/oz	566	481	85	Up 18%
Realised gold price		$/oz	1,446	1,228	218	Up 18%
Realised copper price		$/lb	2.66	2.79	(0.13)	Down 5%
Average exchange rate		AUD:USD	0.6846	0.7249	(0.0403)	Down 6%
Average exchange rate		PGK:USD	0.2940	0.3000	(0.0060)	Down 2%
Closing exchange rate		AUD:USD	0.7006	0.7058	(0.0052)	Down 1%
Earnings per share (basic)		US$ cents	30.7	30.9	(0.2)	Down 1%
Earnings per share (diluted)		US$ cents	30.6	30.8	(0.2)	Down 1%
Dividends paid per share		US$ cents	14.5	11.0	3.5	Up 32%

* Free cash flow in the current period includes the payment for the acquisition of Red Chris (70% ownership) of $774 million[6] and an additional investment of $61 million in Lundin Gold increasing Newcrest's ownership to 32%.

	Endnote	Metric	As at 31 Dec 2019	As at 30 Jun 2019	Change	Change %
Cash and cash equivalents	7	$m	691	1,600	(909)	Down 57%
Net debt		$m	1,365	395	970	Up 246%
Net debt to EBITDA	3	times	0.8	0.2	0.6	Up 300%
Gearing		%	15.1	4.9	10.2	Up 208%
Total equity		$m	7,698	7,631	67	Up 1%

Please refer to the Company's "ASX Appendix 4D and Financial Report" released on 13 February 2020, and the Management Discussion and Analysis in particular, for more detail on the Company's financial results.

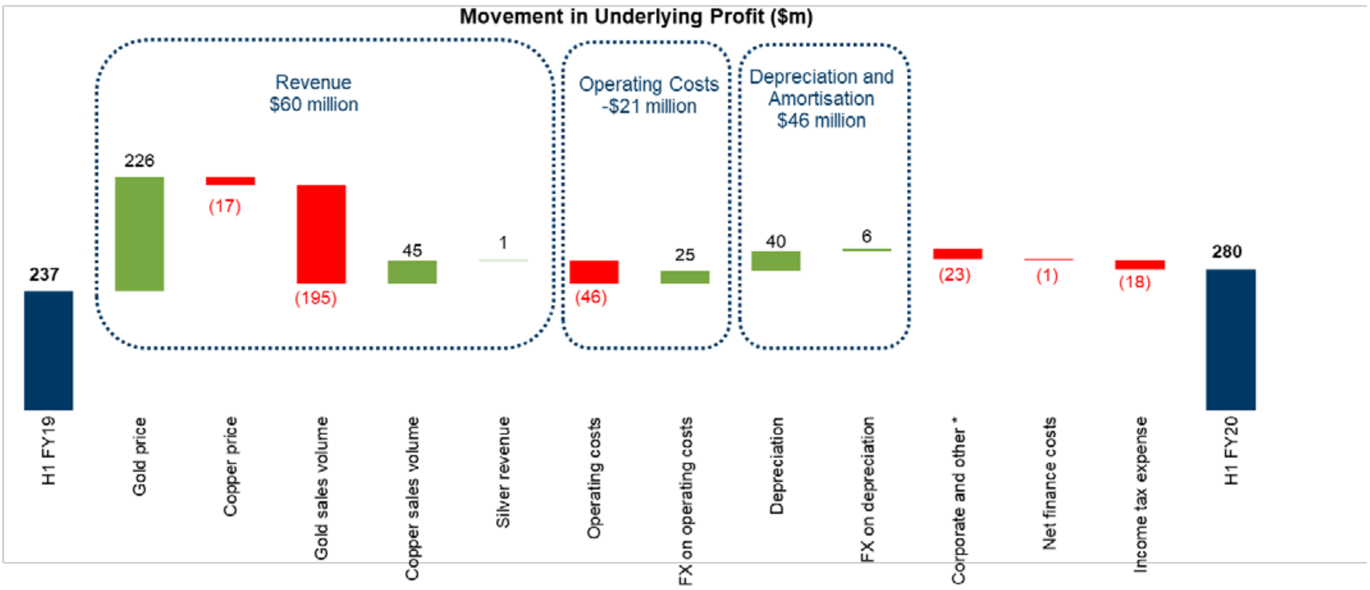
Summary of Half Year Financial Results

Statutory profit was $236 million in the first half. The Statutory profit includes significant items (after non-controlling interests) of $44 million which represents the write-down of Gosowong following its classification as 'held for sale'.

Underlying profit of $280 million was $43 million higher than the prior period driven by a higher realised gold price, the favourable impact on operating costs for the Australian operations from the weakening of the Australian dollar against the US dollar, and a lower depreciation expense. These benefits were partially offset by lower production at all sites (with the exception of Red Chris), a lower realised copper price, the Company's improved profitability increasing its income tax expense and the pursuit of growth resulting in an increase in corporate costs and exploration expenditure.

Underlying profit

	For the 6 months ended 31 December			
US$m	**2019**	**2018**	**Change**	**Change%**
Gold revenue	1,497	1,466	31	2%
Copper revenue	351	323	28	9%
Silver revenue	8	7	1	14%
Less: treatment and refining deductions	(66)	(66)	-	-
Total revenue	**1,790**	**1,730**	**60**	**3%**
Operating costs[8]	(953)	(932)	(21)	(2%)
Depreciation and amortisation[8]	(289)	(335)	46	14%
Total cost of sales	**(1,242)**	**(1,267)**	**25**	**2%**
Corporate administration expenses	(57)	(53)	(4)	(8%)
Exploration expenses	(37)	(33)	(4)	(12%)
Other income	21	19	2	11%
Share of profit/(losses) of associates	(16)	1	(17)	(1,700%)
Net finance costs[8]	(50)	(49)	(1)	(2%)
Income tax expense	(129)	(111)	(18)	(16%)
Underlying profit	**280**	**237**	**43**	**18%**



* Corporate and other includes Corporate administration expenses, Exploration expenses, Other income and Share of losses of associates (refer to section 2.4 of the Company's "ASX Appendix 4D and Financial Report" released on 13 February 2020 for detail)

Cash Flow

Free Cash Flow of negative $729 million includes the $774 million[6] cash outflow in relation to the payment for the acquisition of a 70% interest in the Red Chris mine and an additional $61 million invested in Lundin Gold, increasing Newcrest's ownership from 27.1% to 32%.

Excluding the growth investments mentioned above, Free Cash Flow was $106 million, which is $70 million or 40% lower than the prior period primarily due to increased investment in major capital projects, a higher level of exploration expenditure and higher sustaining capital expenditure.

	For the 6 months ended 31 December			
US$m	**2019**	**2018**	**Change**	**Change %**
Cash flow from operating activities[8]	448	464	(16)	(3%)
Cash flow related to investing activities	(1,177)	(288)	(889)	(309%)
Free cash flow	**(729)**	**176**	**(905)**	**(514%)**
Cash flow related to financing activities[8]	(180)	(94)	(86)	(91%)
Net movement in cash	**(909)**	**82**	**(991)**	**(1,209%)**
Cash at the beginning of the period	1,600	953	647	68%
Cash at the end of the period[7]	**691**	**1,035**	**(344)**	**(33%)**

Dividend

Newcrest's dividend policy seeks to balance financial performance and capital commitments with prudent leverage and gearing. Newcrest looks to pay ordinary dividends that are sustainable over time having regard to its financial policy metrics, profitability, balance sheet strength and investment options. Newcrest is targeting a total dividend payout of at least 10-30% of free cash flow generated for that financial year, with the dividend being no less than US 15 cents per share on a full year basis.

The Newcrest Board has determined that an interim fully franked dividend of US 7.5 cents per share will be paid on 27 March 2020. The record date for entitlement is 21 February 2020. The financial impact of the dividend amounting to $58 million has not been recognised in the Consolidated Financial Statements for the half year. The Dividend Reinvestment Plan remains available.

Summary of Half Year Results by Asset[9]

		For the 6 months ended 31 December 2019						
		Cadia	**Lihir**	**Telfer**	**Goso-wong[9]**	**Red Chris[9]**	**Other**	**Group**
Operating								
Production								
Gold	koz	411	381	182	76	11	-	**1,063**
Copper	kt	45	-	7	-	10	-	**62**
Silver	koz	271	14	59	82	43	-	**471**
Sales								
Gold	koz	399	363	185	78	10	-	**1,035**
Copper	kt	44	-	7	-	9	-	**60**
Silver	koz	265	14	59	87	29	-	**455**
Financial								
Revenue	$m	810	538	261	117	64	-	**1,790**
EBITDA[8]	$m	571	202	21	31	12	(81)	**756**
EBIT[8]	$m	497	73	(24)	6	(4)	(89)	**459**
Net assets	$m	2,549	4,295	(5)	112	864	(117)	**7,698**
Operating cash flows[8]	$m	576	184	15	20	(2)	(345)	**448**
Investing cash flows	$m	(117)	(100)	(37)	(12)	(23)	(888)	**(1,177)**
Free cash flow*	$m	459	84	(22)	8	(25)	(1,233)	**(729)**
AISC	$m	66	419	256	99	25	46	**911**
	$/oz	167[4]	1,154	1,380	1,261	2,606		**880[4]**
AISC Margin	$/oz	1,279	292	66	185	(1,160)		**566**

* Free cash flow for 'Other' includes other investing activities of $835 million (comprising the acquisition of Red Chris of $774 million[6] and further investments in Lundin Gold of $61 million), income tax paid of $219 million, net interest paid of $44 million, exploration expenditure of $39 million, corporate costs of $43 million, capital expenditure of $13 million and movements in working capital of $40 million.

Asset Summary

Cadia

Gold production of 411,452 ounces was 9% lower than the prior period driven by a 5% decrease in the volume of material milled and a 5% decrease in gold grade milled.

As previously reported, the lower milled tonnes were principally due to extended downtime of the Concentrator 1 SAG mill following the identification (through routine inspections) of a preventative maintenance opportunity. The lower gold head grade is broadly in line with expected grades for the period.

The mine produced 15 million tonnes of ore, representing an approximate annualised rate of 30 million tonnes per annum. In the last three months of the current period, an annualised mill throughput rate of 31.4 million tonnes per annum was achieved.

EBIT of $497 million was 10% higher than the prior period. This represented the cumulative benefit of a 2% increase in revenue and a 10% reduction in cost of sales (including depreciation). The increase in revenue was driven by an 18% higher realised gold price which more than offset the lower gold and copper sales volumes. Cost of sales (including depreciation) was lower primarily due to a weaker Australian dollar favourably impacting costs and lower depreciation reflecting lower gold production.

AISC of $167 per ounce was $36 per ounce or 27% higher than the prior period. This reflects the higher unit operating costs associated with the lower gold production and higher maintenance costs associated with the Concentrator 1 SAG mill repair, higher sustaining capital expenditure and a lower realised copper price. The impact of these increases were partially offset by the benefit of a weaker Australian dollar and a higher proportion of copper sales compared to gold sales.

Free cash flow of $459 million was 1% higher than the prior period. This reflects the higher earnings and a favourable movement in working capital, largely offset by a 50% increase in capital expenditure, with work commencing on Stage 1 of the Cadia Expansion Project (primarily PC2-3 development).

On 15 October 2019, Newcrest announced the approval of the first stage of the Cadia Expansion Project to Execution phase. The first stage comprises commencement of the next cave development (PC2-3) and, subject to regulatory approvals, an increase in the nameplate capacity of the process plant to 33mtpa. The second stage, which is in Feasibility Study, is focussed on a further increase in processing capacity to 35mtpa and recovery rate improvement projects. Combined, the two stages are estimated to have a total capital cost of $865 million[10].

The next modification to the project approval conditions in order to increase the capacity of the Cadia Hill open pit tailings storage facility (OPTSF) was submitted to the Regulator during the September 2019 quarter. Approval for the modification was granted in December 2019, allowing full use of the Cadia Hill open pit for tailings deposition. It is expected that the total usable life of the OPTSF in combination with the Southern Tailings Storage Facility (STSF) is approximately 10 years, subject to ongoing approvals. The approval of the modification also authorises an expanded footprint of the STSF which will allow (subject to regulatory approval of design) for the construction of the next stage lift of the STSF embankment, a buttress design that will add stability and geometry suitable for converting the existing upstream-raise embankment to a centreline configuration for future lifts. It is expected to commence construction in the June 2020 quarter.

The Northern Tailings Storage Facility (NTSF) Repair Concept Study was completed in the December 2019 quarter. It identified three alternative plans for repairing the NTSF embankment slump. The NTSF Repair Concept Study estimated that costs for all ‘go forward’ options are below A$100 million (~$70m) and have preliminary completion dates in FY22 (subject to approvals, weather and no technical delays). A Pre-Feasibility Study has since commenced to select a single go-forward option, with the study expected to be completed in the first quarter of FY21.

The state of New South Wales remains impacted by a severe drought. Cadia has implemented significant water saving efficiency measures and continues to pursue further water saving initiatives in the plant and optimisation of onsite bores and other water sources.

Newcrest's internal modelling of its current water storage volumes, potential rainfall scenarios and projected water usage indicates that if rainfall remains at 1-in-100 year lows (with the last two years being at this level), then production may be impacted by the end of calendar year 2020. If rainfall is at or above the bottom decile of historical levels then production is not expected to be impacted. The City of Orange no longer needs Cadia to voluntarily relinquish ~2ML a day of treated effluent and Cadia is again receiving its full allocation of ~10ML a day.

Lihir

Gold production was 12% lower than the prior period, primarily as a result of 16% lower gold head grade and lower gold recovery rates.

Lihir commenced transition to a biannual shutdown strategy aimed at improving equipment reliability and utilisation from FY21 onwards. Newcrest is targeting an additional ~65 days per annum of operation without interruption from planned major equipment maintenance.

Gold head grade was 16% lower than the prior period primarily due to a larger proportion of lower grade stockpile material processed and the current area being mined in Phase 14 yielding lower volumes and lower grade ore. Gold recovery rates were 2% lower than the prior period primarily due to lower autoclave availability as a result of planned maintenance for relines to Autoclaves 2 and 4 as well as the lower head grade. The grade and recovery impacts were partially offset by 7% higher mill throughput.

Total ore mined was lower with mining of Phase 9 completed in early 2019 and expit ore now primarily being sourced from Phase 14. Total material mined was in line with the prior period due to increased waste movement in Phase 15, with access to Phase 15 ore targeted in the coming periods.

EBIT of $73 million was 74% higher than the prior period as a result of increased revenue driven by a higher realised gold price more than offsetting the lower sales volumes and lower cost of sales (including depreciation). Lower depreciation was due to lower production throughput. Cost of sales (excluding depreciation) was higher due to increased fuel costs and increased maintenance spend in relation to the mobile fleet.

AISC of $1,154 per ounce was $229 per ounce (or 25%) higher than the prior period, primarily reflecting the lower gold sales for the current period, higher fuel and maintenance costs, higher production stripping and higher sustaining capital expenditure.

Free cash flow of $84 million was $47 million higher than the prior period, driven by higher revenue as a result of the higher realised gold price and a favourable movement in working capital, partially offset by lower sales volumes and higher operating costs, production stripping and sustaining capital expenditure.

Telfer

Gold production was 15% lower than the prior period driven by 32% lower milled tonnes, partially offset by higher head grade and recovery. Mill throughput was lower due to the deliberate change in mill operating strategy to a reduced rate utilising ~1.4 of the two trains' capacity (announced in August 2019) and targeting higher feed grade to improve margin.

Gold recovery improved (+4%) as a result of higher gold head grade and ore treatment transformation initiatives targeting production stability and Management Operating System improvements which have yielded positive results over the last 12 months.

Total material mined was lower than the prior period due to reductions in underground mining activity reflecting a reduced footprint from the Sub Level Cave and Western Flanks as they near completion of the currently approved mine plans. Mining activity in the open pit was also lower due to equipment availability and workforce issues impacting productivity.

The slightly improved EBIT was driven largely by the higher realised gold price, lower site costs due to lower mining and ore treatment activity, a weaker Australian dollar favourably impacting costs and lower depreciation. This was partially offset by lower revenue reflecting lower gold and copper production.

AISC of $1,380 per ounce was marginally higher than the prior period driven by lower gold sales, a lower realised copper price and an increase in unit operating costs, partially offset by lower sustaining capital expenditure and lower production stripping activity.

Free cash flow of negative $22 million was a $26 million improvement over the prior period due to a higher realised gold price, lower site costs reflecting the lower mining and ore treatment activity, a weaker Australian dollar favourably impacting costs, lower capital expenditure and higher net working capital inflows, partially offset by lower gold sales volumes and a lower realised copper price.

Telfer realised net revenue losses on gold hedges of $33 million. Excluding the hedge losses, Telfer's free cash flow was positive $11 million in the current period.

Newcrest is currently trialling Undercutless technology at Telfer, where 75% of the drawbell firings have been completed. Key technical objectives of the trial are being met with design height and connection between the first two undercutless drawbells achieved. The Telfer trial is on track for completion in March 2020. A second trial is scheduled to commence this year at Cadia to build on the learnings from the Telfer trial.

Gosowong

Gold production was 26% lower than the prior period due to lower head grade at both Toguraci and Kencana mines. The lower gold sales volumes reflects the lower gold production.

EBIT of $6 million was $7 million higher than the prior period driven by lower site costs and lower depreciation, partially offset by lower revenue with the expected lower sales volumes outweighing the benefit of an 18% higher realised gold price.

AISC of $1,261 per ounce was higher than the prior period notwithstanding that the absolute dollar amount of AISC expenditure was lower, as the lower gold grades translated into lower production and sales volumes and increased unit costs.

Free cash flow of $8 million was $4 million higher than the prior period, driven by higher operating cashflows, lower sustaining capital expenditure and favourable movements in working capital.

As announced on 31 January 2020, Newcrest entered into an agreement to divest all of Newcrest's interests in Gosowong for a total consideration of $90 million.

Red Chris

As announced (on 16 August 2019), Newcrest acquired a 70% joint-venture interest in and operatorship of, the Red Chris mine and surrounding tenements in British Columbia.

Since acquisition, work has commenced on the implementation of the Newcrest Safety Transformation Plan together with drilling activity, investment in capital projects and a number of operational improvement initiatives to improve the site's future operational performance.

Production and financial outcomes represent the period of Newcrest ownership from 15 August to 31 December 2019. Free cash flow for the current period includes the impact of net working capital acquired on completion of the acquisition.

Exploration

Newcrest announced that results from the latest drilling continues to expand the gold-copper mineralisation at the Havieron Project, 45km east of Telfer. Newcrest plans to drill an additional 20,000 – 30,000 metres in the next half year to support the potential delivery of a resource estimate by the end of calendar year 2020. In parallel, a number of environmental, geotechnical and metallurgical studies have commenced to support the potential resource estimate and future permitting requirements.

At Red Chris, exploration drilling commenced during the half with positive results. This drilling has already identified an additional higher grade zone sitting outside the known Gully Zone resource shell and expanded the footprint of the mineralisation which is open to the west and at depth, confirming the potential for additional discoveries within the porphyry corridor. The known Gully Zone mineralisation has been expanded at depths between 500 metres up to 1,000 metres below surface including higher grade intercepts as disclosed in the Quarterly Exploration Report, dated 30 January 2020. Additional drilling at the Gully Zone is planned to map the extent of the high grade mineralisation and assess the viability of an additional block cave.

Wafi-Golpu

On 11 February 2020 the judicial review proceeding between the Governor of Morobe Province and the Independent State of Papua New Guinea (the State of PNG) in relation to the Wafi-Golpu Project Memorandum of Understanding (MOU), was dismissed by the National Court sitting in Lae, Papua New Guinea (PNG).

This follows the PNG Minister for Mining recently advising the Wafi-Golpu Joint Venture (WGJV) partners that the State of PNG had withdrawn its support for the MOU and instructed its lawyers to take steps to set aside the stay order and terminate the judicial review proceeding.

As a consequence, the stay order restricting the WGJV participants from engaging in discussions with the State of PNG has been lifted.

Newcrest, together with its WGJV partner Harmony, look forward to re-engaging with the State of PNG and progressing discussions on the Special Mining Lease for the Wafi-Golpu Project.

Mineral Resources and Ore Reserves[11]

Newcrest Mining Limited has updated its Mineral Resource and Ore Reserve estimates for the twelve month period ending 31 December 2019 and for this purpose, has completed a detailed review of all production sources. The review has taken into account long term metal prices, foreign exchange and cost assumptions, and mining and metallurgy performance to inform cut-off grades and physical mining parameters.

Group Ore Reserves are estimated to contain 52 million ounces of gold, 6.9 million tonnes of copper, 36 million ounces of silver and 0.12 million tonnes of molybdenum. This represents a decrease of approximately 2.2 million ounces of gold (~5%), 0.1 million tonnes of copper (~1%) 0.1 million ounces of silver (~1%) and 0.12 million tonnes of molybdenum, compared with the estimate as at 31 December 2018, reflecting the following changes:

- Estimated mining depletion of approximately 3 million ounces of gold, 0.1 million tonnes of copper and 1 million ounces of silver, offset by minor additions at operating sites
- The addition of 0.12 million tonnes of molybdenum as a minor by-product at Cadia East.

Group Mineral Resources are estimated to contain 110 million ounces of gold, 19 million tonnes of copper, 94 million ounces of silver and 0.19 million tonnes of molybdenum. This represents a decrease of approximately 3.5 million ounces of gold (~3%), 0.1 million tonnes of copper (~1%) and increase of 1.5 million ounces of silver (~2%) and 0.19 million tonnes of molybdenum, compared with the estimate as at 31 December 2018. Mineral Resources are reported inclusive of Ore Reserves and reflect changes that include:

- Estimated mining depletion of approximately 3.1 million ounces of gold, 0.1 million tonnes of copper and 1 million ounces of silver
- Decrease at Telfer, post mining depletion, of approximately 0.5 million ounces of gold and 0.02 million tonnes of copper following updated resource models and re-optimised notional constraining shells for the open pit and sterilisation underground as the mine approaches end of operational life.
- The addition of 0.19 million tonnes of molybdenum as minor by-product at Cadia East.

Further detail on Group Ore Reserves and Group Mineral Resources can be found in the Company's Market Release of 13 February 2020 titled "Annual Mineral Resources and Ore Reserves Statement – 31 December 2019".

Half Year Financial Results Call and Q&A Facility

We invite you to join our investor webcast from Melbourne at 10.00am (AEDT) on Thursday 13 February 2020.

Please register prior to this broadcast on the Newcrest website
http://www.newcrest.com.au/investors/reports/financial/

Should you be unable to join us, the webcast will also be available for viewing following the live presentation.

Authorised by the Newcrest Board Executive Committee

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[1] All figures in this Report relate to businesses of the Newcrest Mining Limited Group ('Newcrest' or 'the Group') for the 6 months ended 31 December 2019 ('current period') compared with the 6 months ended 31 December 2018 ('prior period'), except where otherwise stated. All references to 'the Company' are to Newcrest Mining Limited.

Disclaimer: These materials include forward looking statements. Forward looking statements can generally be identified by the use of words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", "outlook" and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs. The Company continues to distinguish between outlook and guidance. Guidance statements relate to the current financial year. Outlook statements relate to years subsequent to the current financial year.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from statements in these materials. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation. Forward looking statements are based on the Company's good faith assumptions as to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions will prove to be correct. There may be other factors that could cause actual results or events not to be as anticipated, and many events are beyond the reasonable control of the Company. Readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Except as required by applicable laws or regulations, the Company does not undertake any obligation to publicly update or revise any of the forward looking statements or to advise of any change in assumptions on which any such statement is based.

[2] Statutory profit/(loss) is profit after tax attributable to owners of the Company.

[3] Newcrest's results are reported under International Financial Reporting Standards ('IFRS'). This report also includes certain non-IFRS financial information, including the following:

- 'Underlying profit' is profit or loss after tax before significant items attributable to owners of the Company.
- 'EBITDA' is 'earnings before interest, tax, depreciation and amortisation, and significant items'. EBIT is 'earnings before interest, tax and significant items'.
- 'EBITDA Margin' is EBITDA expressed as a percentage of revenue. 'EBIT Margin' is EBIT expressed as a percentage of revenue.
- 'AISC' is All-In Sustaining Cost and 'AIC' is All-In Cost as per updated World Gold Council Guidance Note on Non-GAAP Metrics released November 2018. AISC will vary from period to period as a result of various factors including production performance, timing of sales and the level of sustaining capital and the relative contribution of each asset. AISC Margin reflects the average realised gold price less the AISC per ounce sold.
- 'Net debt to EBITDA' is calculated as net debt divided by EBITDA for the preceding 12 months.
- 'Free Cash Flow' is calculated as cash flow from operating activities less cash flow related to investing activities. Free Cash Flow for each operating site is calculated as Free Cash Flow before interest and tax.
- Underlying profit, EBIT, EBITDA, EBITDA Margin, EBIT Margin, Free cash flow, All-In Sustaining Cost, All-In Sustaining Cost Margin, All-In Cost, Sustaining capital and Major projects (non-sustaining) capital are non-IFRS financial measures which Newcrest employs in managing the business. They are used by Management to assess the performance of the business and make decisions on the allocation of resources and have been included in this report to provide greater understanding of the underlying financial performance of Newcrest's operations. When reviewing business performance this non-IFRS information should be used in addition to, and not as a replacement of, measures prepared in accordance with IFRS.
- These measures have not been subject to audit or review by Newcrest's external auditor. These measures do not have any standard definition under IFRS and may be calculated differently by other companies. Refer to section six of the Management Discussion & Analysis in the ASX Appendix 4D and Financial Report for a reconciliation of non-IFRS measures to the most appropriate IFRS measure.

[4] Subsequent to the release of the December 2019 Quarterly Report, on 30 January 2020, there was an adjustment of 6.5koz of gold sold at Cadia following the finalisation of concentrate sales reconciliations. As a result, the first half AISC per ounce for the Group and Cadia have been adjusted up $2 per ounce and down $5 per ounce respectively.

[5] TRIFR is Total Recordable Injury Frequency Rate per million hours.

[6] The payment of $774 million represents the cash consideration paid for the 70% interest in the Red Chris mine. The consideration of $774 million is shown net of estimated debt and working capital adjustments acquired on completion. Refer to Note 17(b) of the consolidated financial statements for further details.

[7] Cash and cash equivalents in the current period of $691 million includes $25 million of cash and cash equivalents, in relation to Gosowong, which have been classified as held for sale. Refer to Note 16 of the consolidated financial statements in the ASX Appendix 4D and Financial Report.

[8] During the current period Newcrest adopted IFRS 16 Leases and elected to apply the modified retrospective method of adoption. Under this method, comparative figures are not required to be restated and continue to be presented under the previous standard, IFRS 17. Refer to Note 2 of the consolidated financial statements in the ASX Appendix 4D and Financial Report.

[9] All data relating to operations is shown at 100%, with the exception of Red Chris which is shown at 70%. At 31 December 2019, Newcrest owned 75% of Gosowong through its holding in PT Nusa Halmahera Minerals, an incorporated joint venture.

[10] Stage 1 of the Cadia Expansion Feasibility Study has been prepared with the objective that its findings are subject to an accuracy range of ±15%. Stage 2 has been completed to a Pre-Feasibility Study level with its findings at an accuracy range of ±25%. The findings in the Study and the implementation of the Cadia Expansion Project are subject to all necessary approvals, permits, internal and regulatory requirements and further works. The estimates are indicative only, are subject to market and operating conditions and should not be construed as guidance.

[11] As an Australian company with securities listed on the Australian Securities Exchange (ASX), Newcrest is subject to Australian disclosure requirements and standards, including the requirements of the Corporations Act and the ASX. Investors should note that it is a requirement of the ASX listing rules that the reporting of ore reserves and mineral resources in Australia comply with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code") and that Newcrest's ore reserve and mineral resource estimates comply with the JORC Code. The information in this presentation that relates to Mineral Resources or Ore Reserves has been extracted from the release titled "Annual Mineral Resources and Ore Reserves Statement – 31 December 2019" dated 13 February 2020 (the original release). Newcrest confirms that it is not aware of any new information or data that materially affects the information included in the original release and, in the case of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the original release continue to apply and have not materially changed. Newcrest confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original release.