Market Release

19 September 2016

Sale of Hidden Valley interest

Newcrest has signed an agreement to sell Newcrest PNG 1 Ltd to a wholly owned subsidiary of Harmony Gold Mining Company Limited (Harmony). Newcrest PNG 1 Ltd is a 100% owned subsidiary of Newcrest that holds its 50% interest in the Hidden Valley Joint Venture ('JV') including the Hidden Valley mine. Completion of this sale is conditional upon the receipt of any required South African regulatory approval.

Newcrest has also signed an agreement to sell its 50% interest in certain regional exploration tenements proximate to the Hidden Valley mine to Harmony**.**

The transactions will enable Newcrest to focus its attention on its other assets. The parties will remain joint venture partners in the Wafi-Golpu project.

Key Points

- Following completion, Harmony will become 100% owner of the Hidden Valley JV including the Hidden Valley mine.
- Following completion, Harmony will assume all liabilities and expenses related to the Hidden Valley Joint Venture and mine, including all closure, rehabilitation and remediation obligations with effect from 31 August 2016.
- At 30 June 2016 Newcrest had provisioned US$35m on mine rehabilitation obligations which will now be reversed
- Newcrest expects to recognise a loss on sale of approximately US$10m
- Newcrest and Harmony will remain 50 / 50 joint venture partners in the Wafi-Golpu project

As part of the transaction Newcrest has funded Newcrest PNG 1 Ltd with an amount of US$22.5m. This represents Newcrest's one-off contribution towards future Hidden Valley closure liability partially offset by the option value of the possible future cash flows of the asset. Harmony has made commitments to Newcrest in relation to the standard of closure to be undertaken in respect of the mine.

Sandeep Biswas, Newcrest Managing Director and CEO said, "Having completed the strategic review of Hidden Valley, Newcrest determined that the best outcome was to exit the operation and focus our attention on safe, profitable growth at our other assets. We look forward to continuing to work with Harmony on the Wafi-Golpu project."

Updated guidance for Newcrest [1,2]

Subject to market and operating conditions and subject to Completion, Newcrest FY17 production and cost guidance has been adjusted to reflect the sale of Hidden Valley as at 31 August 2016.

Production guidance for the 12 months ended 30 June 2017

Cadia	- gold	Koz	730 – 820
	- copper	Kt	~65
Telfer	- gold	Koz	400 – 450
	- copper	Kt	~20
Lihir	- gold	Koz	880 – 980
Gosowong	- gold	Koz	220 – 270
Bonikro	- gold	Koz	120 – 145
Hidden Valley (50%)	- gold	Koz	~10
Group production	**- gold**	**Moz**	2.35 – 2.60
	- copper	**Kt**	80-90

Cost and Capital Guidance FY17 $m	**Cadia**	**Telfer**	**Lihir**	**Goso-wong (100%)**	**Bonikro (100%)**	**Hidden Valley (50%)**	**Other**	**Group**
All-In Sustaining Cost*	230-270	450-480	765-850	200-230	130-150	10-15	75-85	1,880-2,060
Capital expenditure								
- Production stripping	-	15-20	60-75	-	10-15	-	-	85-110
- Sustaining capital	70-80	55-65	105-125	30-45	10-15	~1	~15	295-335
- Major projects (non-sustaining)	85-105	20-30	30-35	-	-	-	20-30	165-200
Total Capital expenditure	**155-185**	**90-115**	**195-235**	**30-45**	**20-30**	**~1**	**35-45**	**545-645**
Exploration expenditure								60-80
Depreciation and amortisation (including production stripping)								675-735

*Production stripping and sustaining capital shown above are included in All-In Sustaining Cost

**The above updates to FY17 guidance are only to reflect the sale of Hidden Valley

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[1] These materials include forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking 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 in forward looking statements. Guidance statements are a risk-weighted assessment constituting Newcrest’s current expectation as to the range in which, for example, its gold production (or other relevant metric), will ultimately fall in the current financial year. Outlook statements are a risk-weighted assessment constituting Newcrest’s current view regarding the possible range of, for example, gold production (or other relevant metric) in 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 any future results, performance or achievements. 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 licences 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 and its Management’s good faith assumptions relating 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 on which forward looking statements are based will prove to be correct, or that the Company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or Management or beyond the Company’s control. Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, 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. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information 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 events, conditions or circumstances on which any such statement is based.

[2] The guidance stated assumes weighted average copper price of $2.10 per pound, silver price of $16.50 per ounce and AUD:USD exchange rate of 0.73 for FY17.