NEWCREST

Newcrest to acquire potential Tier 1 orebody in Canada

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NEWCREST MINING LIMITED

Disclaimer

Forward Looking Statements

This presentation includes 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 this presentation. 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’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.

Non-IFRS Financial Information

Newcrest results are reported under International Financial Reporting Standards (IFRS) including EBIT and EBITDA. This presentation also includes non-IFRS information including Underlying profit (profit after tax before significant items attributable to owners of the parent company), All-In Sustaining Cost (determined in accordance with the World Gold Council Guidance Note on Non-GAAP Metrics released June 2013), AISC Margin (realised gold price less AISC per ounce sold (where expressed as USD), or realised gold price less AISC per ounce sold divided by realised gold price (where expressed as a %)), Interest Coverage Ratio (EBITDA/Interest payable for the relevant period), Free cash flow (cash flow from operating activities less cash flow related to investing activities), EBITDA margin (EBITDA expressed as a percentage of revenue) and EBIT margin (EBIT expressed as a percentage of revenue). These measures are used internally by Management to assess the performance of the business and make decisions on the allocation of resources and are included in this presentation to provide greater understanding of the underlying performance of Newcrest’s operations. The non-IFRS information has not been subject to audit or review by Newcrest’s external auditor and should be used in addition to IFRS information.

Reliance on Third Party Information

The views expressed in this presentation contain information that has been derived from sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. This presentation should not be relied upon as a recommendation or forecast by Newcrest.

Disclaimer

Foreign Estimates – clarifying statements as required by ASX Listing Rule 5.12

The estimates of Mineral Resources for Red Chris deposit are qualifying foreign estimates under the ASX Listing Rules reported in accordance with the National Instrument 43-101 (NI 43-101) by Imperial and filed on SEDAR (www.sedar.com) on 30 September 2015. These qualifying foreign estimates were re-stated by Imperial in their July 2017 Mineral Resource and Mineral Reserve statement (www.imperialmetal.com) but have not been updated since 30 September 2015, and have not been depleted for production to date. Production depletion to date would likely result in approximately 5% reduction in reported Mineral Resources and approximately 20% reduction in reported Mineral Reserves.

The categories of Mineral Resource classification used are in accordance with NI 43-101 and the CIM Standards. NI 43-101 is a 'qualifying foreign estimate' (Chapter 19, ASX Listing Rules) and has similar categories of resource classification as the JORC Code (Appendix 5A, ASX Listing Rules).

Newcrest considers these estimates to be both material and relevant to Newcrest given that Red Chris has the potential to be a material mining project to Newcrest.

In accordance with NI 43-101 and CIM Standards, Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. There is no certainty that all or any part of Mineral Resources will be converted to Mineral Reserves. Additional drilling will be required to verify geological and mineralisation continuity, and there is no certainty that all of the Inferred Resources will be converted to Measured and Indicated Resources. Quantity and grades are estimates and are rounded to reflect that the estimates are an approximation.

Newcrest has experience in managing similar operations to the Red Chris operation. Newcrest's key technical and operational personnel conducted a site visit as part of the due diligence process. Imperial provided information on Mineral Resources, Mineral Reserves and operational performance to date for Newcrest to review. The estimates of Mineral Resources were reported in compliance with NI 43-101 technical report "2012 Technical Report on the Red Chris Copper-Gold Project", amended and re-stated September 30, 2015. This technical report contains a summary of work programs and key assumptions, mining and processing parameters and methods used to prepare the estimates of Mineral Resources and Mineral Reserves. The open pit Mineral Reserve is based on an ultimate pit shell developed in 2004.

Newcrest believes that the information provided is the most recent publicly available. Following completion of the transaction it is Newcrest's intention to conduct a work program, including additional exploration and resource definition drilling, resource optimisation for both open pit and underground mining scenarios and pre-feasibility level studies to define the high value optimum plan for conversion of the Mineral Resource to Ore Reserves. It is anticipated to be completed within three years and will be funded using internal cash reserves.

Cautionary statement

The estimates of Mineral Resources for the Red Chris deposit are qualifying foreign estimates under the ASX Listing Rules and are not reported in accordance with the JORC Code. Competent persons have not done sufficient work to classify the qualifying foreign estimates as Mineral Resources in accordance with the JORC Code. It is uncertain, that following evaluation and further exploration, the foreign estimates will be able to be reported as Mineral Resources in accordance with the JORC code.

Competent Person Statement

In accordance with ASX listing rule 5.12.2 to 5.12.7, Mr Kevin Gleeson confirms the information in this presentation that relates to the Mineral Resources for the Red Chris NI 43-101 qualifying foreign estimate is an accurate representation of the available data and studies based on data provided to Newcrest by Imperial. Mr Gleeson is the Head of Mineral Resource Management, a full-time employee of Newcrest Limited and holds options and shares in Newcrest Mining Limited and is entitled to participate in Newcrest's executive equity long term incentive plan, details of which are included in Newcrest's 2018 Remuneration Report. He is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Gleeson has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code 2012. Mr Gleeson consents to the inclusion of the material in this report in the form and context in which it appears.



Newcrest Mining Limited

Red Chris mine

NEWCREST MINING LIMITED

Transaction summary

- Newcrest has agreed to acquire 70% of the Red Chris mine from Imperial Metals for a cash amount of US$806.5 million
- Newcrest to be the operator
- The transaction is expected to close in Q3 CY19
- Newcrest plans to fund the acquisition from cash and committed undrawn bank facilities which together amounted to over US$3.0 billion as at 31 December 2018.



Benefits for Newcrest shareholders

1. Supports strategic goals

- Measured entry into North America
- Operating mine with potential to become a Tier 1 asset

2. Immediate asset and geographic diversification

3. Large mineral endowment

4. Significant upside opportunity

- Early application of Edge transformation approach
- Potential to apply technical expertise in block caving and processing
- Promising exploration potential in the acquired prospective land package

5. Utilises balance sheet strength and liquidity

Two stage transformation

History of Owners Mindset through the transformation at Lihir, Cadia, Telfer and Gosowong

Stage 1 - Apply Newcrest's Edge transformation approach

- Process plant optimisation
  - Debottlenecking process plant
  - Gold and copper recovery uplifts
  - Process control improvements
  - Improving concentrate quality for enhanced marketing
- Mine optimisation
  - Improving orebody knowledge
  - Grade control
  - Open pit dispatch & fleet management system
  - Mine planning & sequencing
- Supply chain cost reduction
- Extensional resource and exploration drilling program

Stage 2 - Apply Newcrest's industry leading technology

- Block caving
- Coarse ore flotation
- Mass sensing and sorting
- Deep underground brownfield and greenfield exploration

Block caving

Highly productive, and low cost underground mass mining method

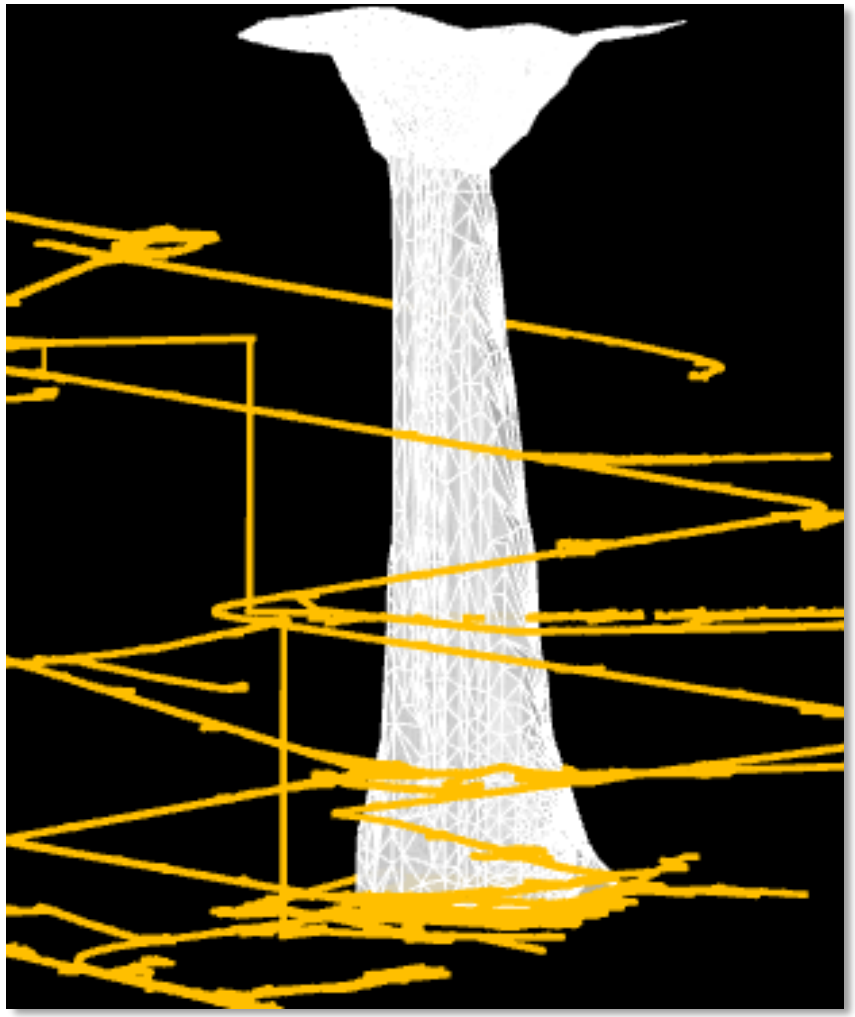
Newcrest has built and operates one of the deepest block caves in the world – Cadia East at 1.4km deep

Cadia is one of the lowest cost, largest gold producers in the world

Over 12 years of experience in building and operating block caves

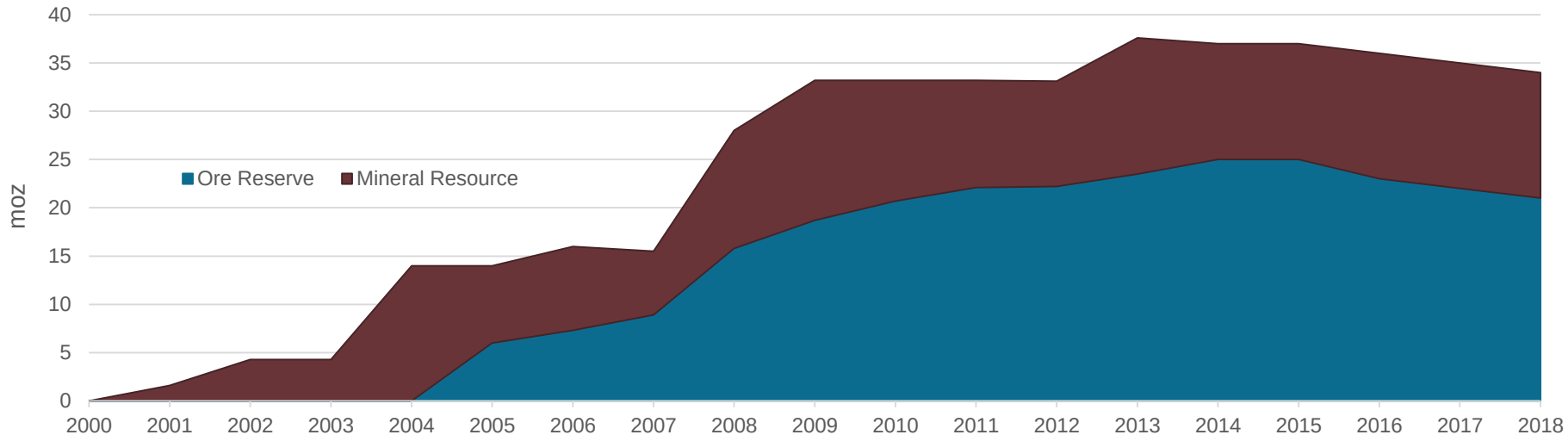
Now trialling undercut-less block caving

- Aim to reduce construction cost of cave blocks by ~30%
- Component of larger NextGen Caving program

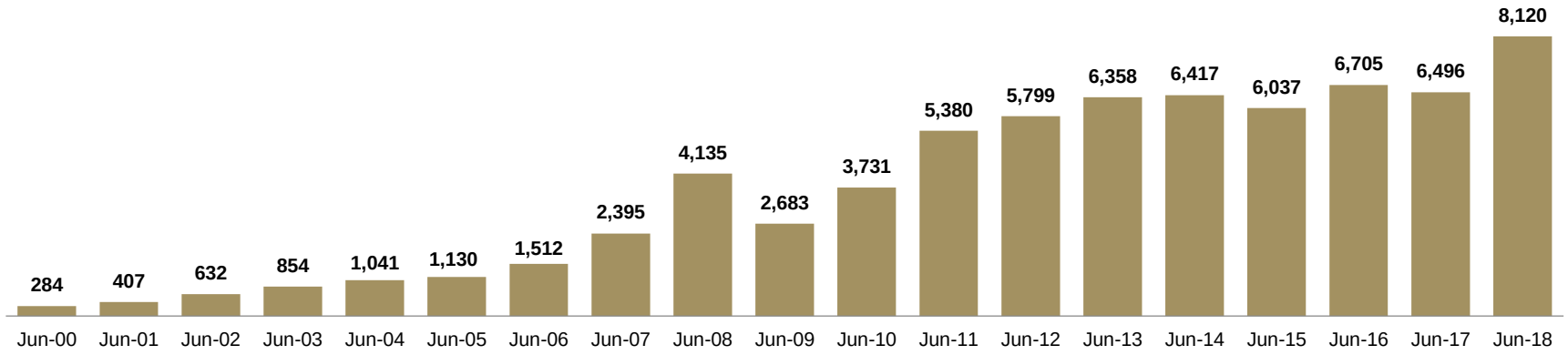


Value added through block caving expertise

Cadia East Gold Reserve & Resource growth due to caving expertise[1]



Cadia Broker Consensus NAV overtime ($m)[2,3,4]



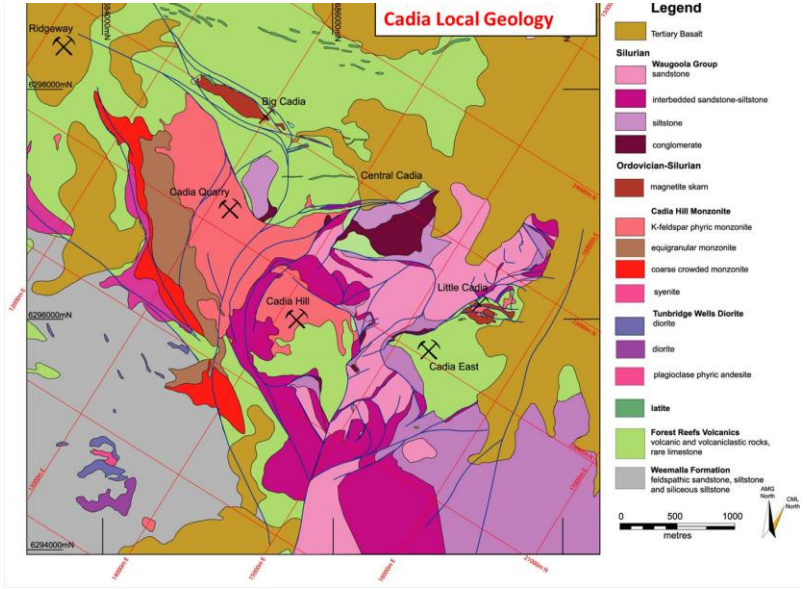
1 Historical ore reserve and mineral resource figures sourced from Newcrest annual reports from 2000 to 2018.
2 Source: Available broker research.
3 Individual broker NAV's converted to USD assuming the spot AUD:USD exchange rate as at the date of the broker report.
4 Includes Ridgeway U/G, Cadia East U/G and Cadia Hill O/C as reported.

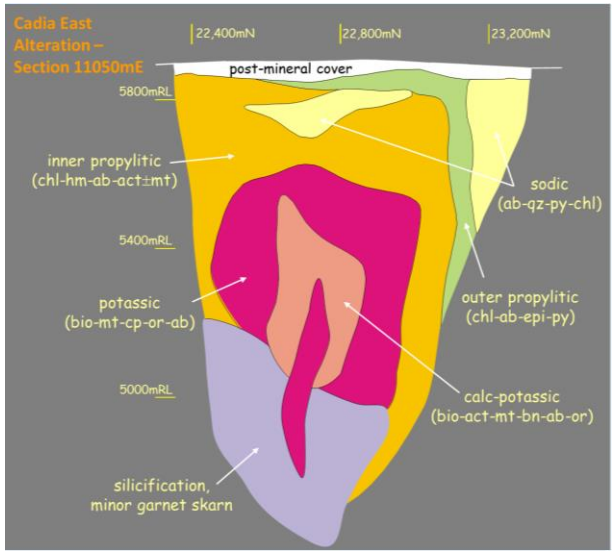
Red Chris exhibits Cadia like porphyry geology

Plan View

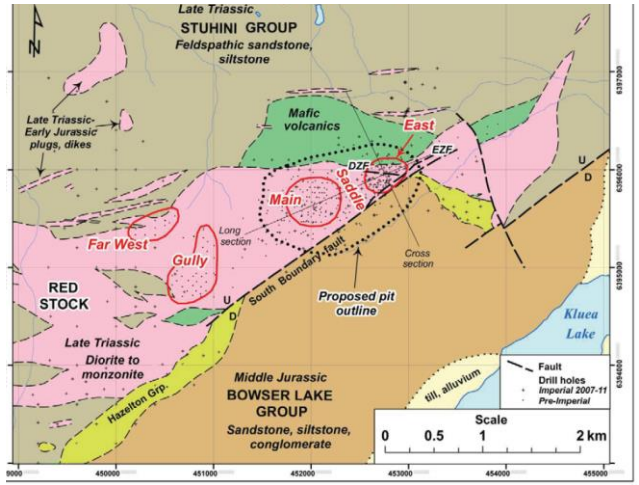
Cross Section

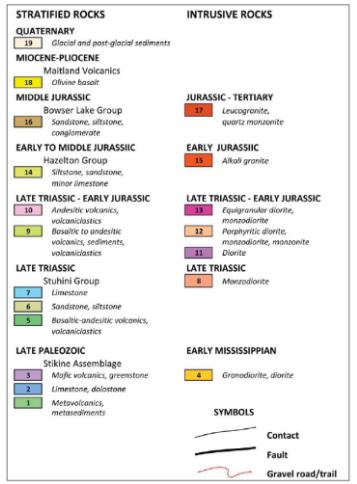
Cadia, NSW, Australia

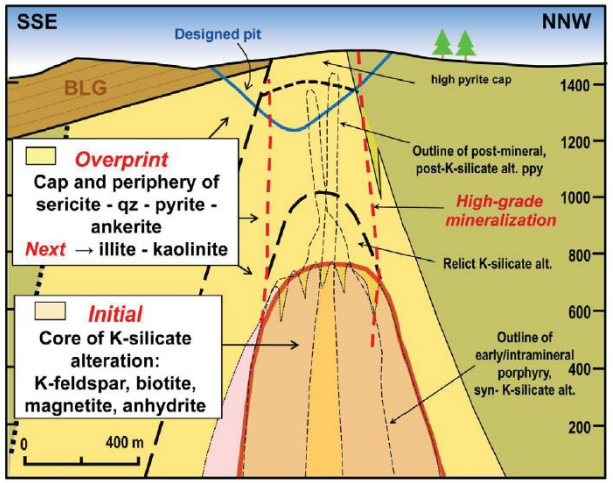




Red Chris, BC, Canada







The information on this slide relates to the geological knowledge of Imperial and is based on the “National Instrument 43-101 Technical Report” dated 30 September 2015 and filed by Imperial on SEDAR (www.sedar.com) in accordance with National Instrument 43-101 as required by Canadian securities regulatory authorities. See also Foreign Estimates – clarifying statements in the disclaimers of this presentation.

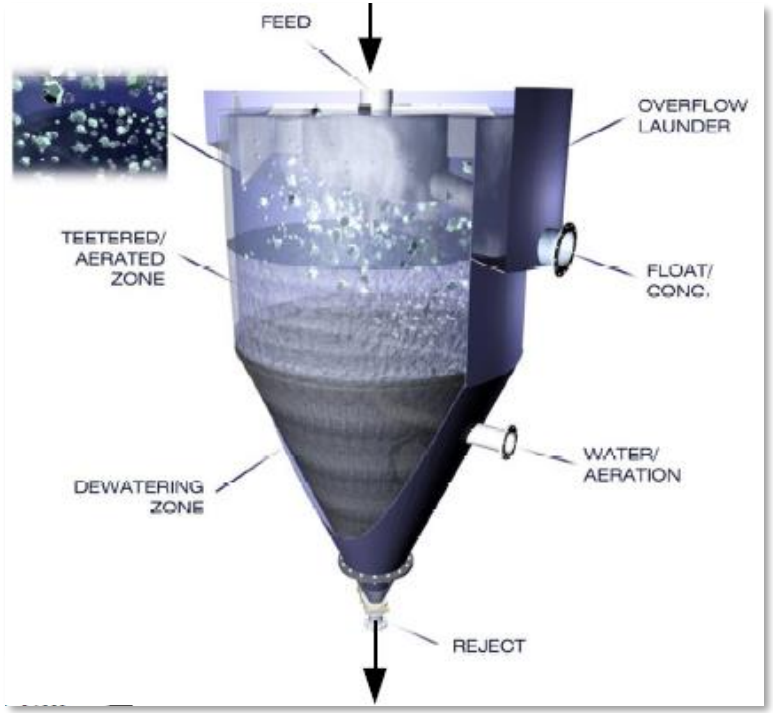
Coarse ore processing[1]

Coarse ore flotation for rate and recovery improvements

Demonstrated benefits in processing energy intensity or recovery rates

- Full scale coarse ore flotation plant operational and circuit re-optimisation ongoing at Cadia
- Delivers the ability to:
  - maintain recovery whilst increasing throughput rate

    or
  - maintain throughput rate whilst increasing recovery

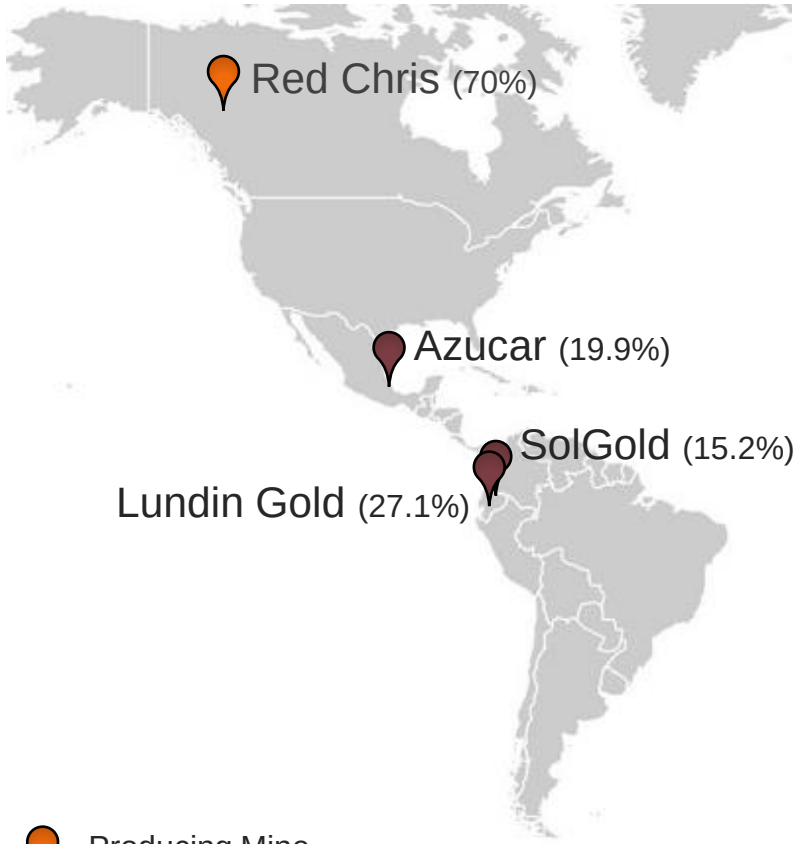


- Higher processing rates
- Lower processing energy needs
- Unlocks lower grade assets

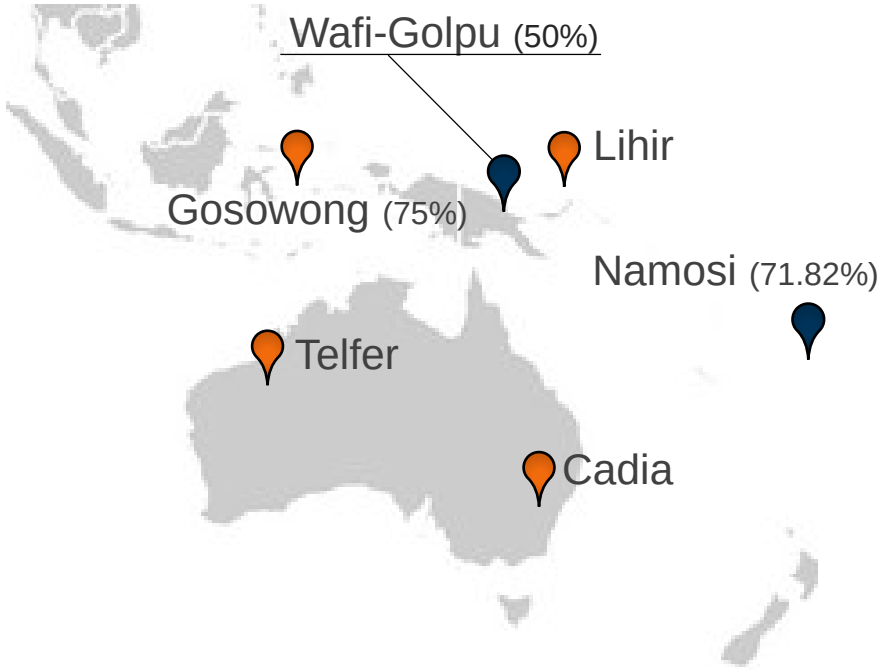
1 Pictures courtesy of the Eriez Flotation Division

Immediate asset and geographic diversification into a leading mining jurisdiction

Americas



Australia-Pacific



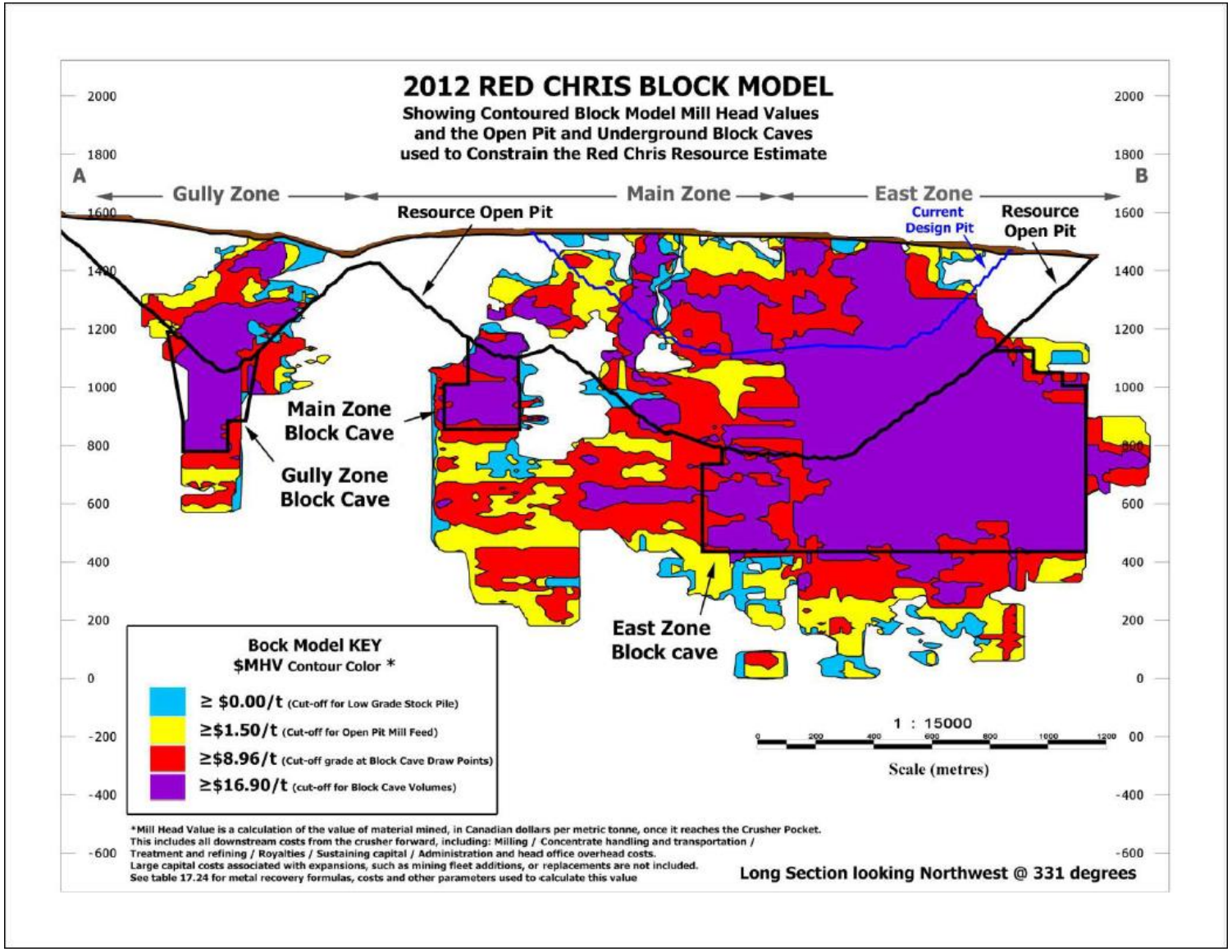
Producing Mine

Development Project

Equity Investments

Large mineral endowment

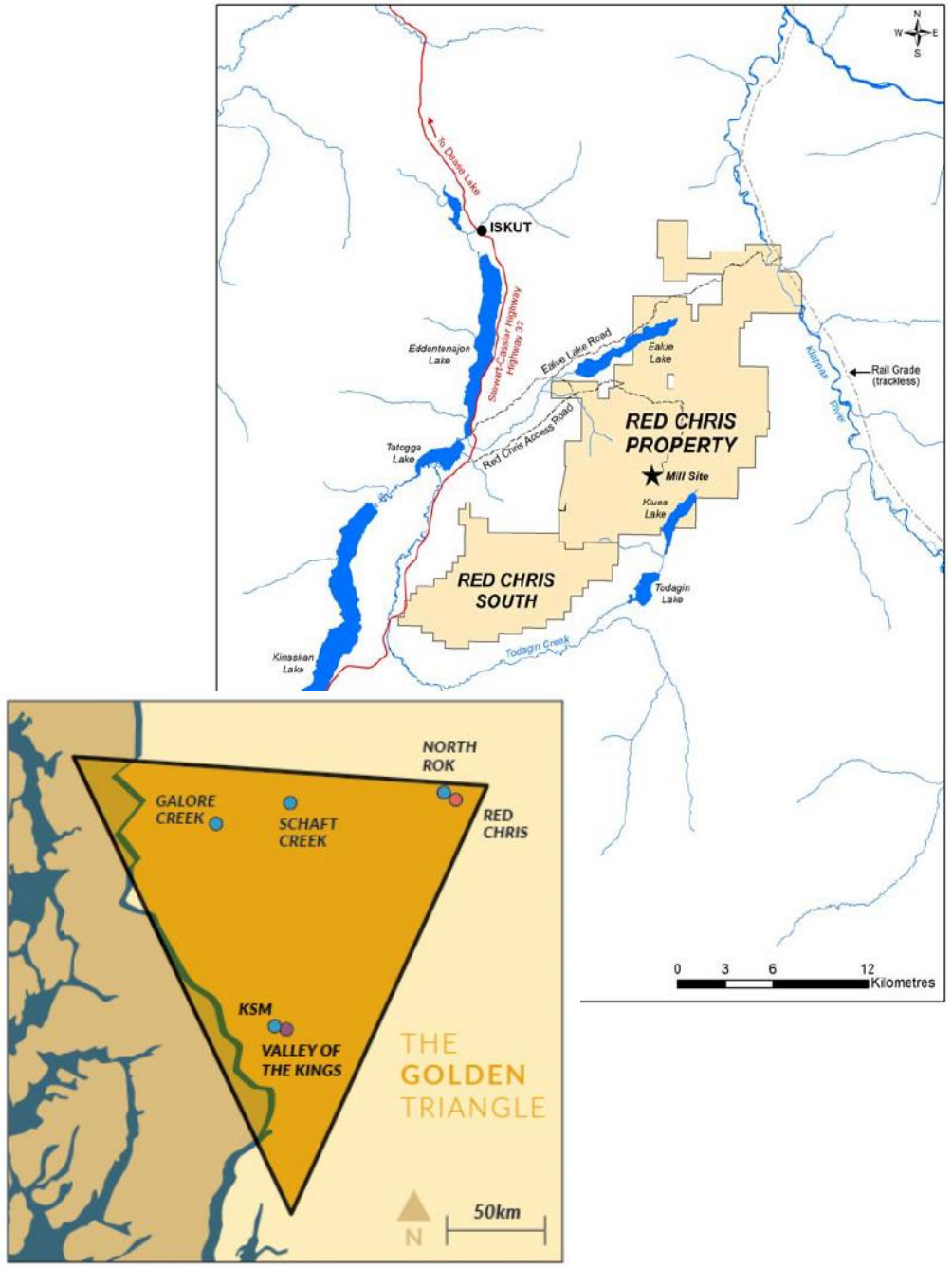
20Moz of Gold Mineral Resources and 13Blbs of Copper Mineral Resources



The information on this slide relates to the Mineral Resource estimates of Imperial and is based on the “National Instrument 43-101 Technical Report” dated 30 September 2015 and filed by Imperial on SEDAR (www.sedar.com) in accordance with National Instrument 43-101 as required by Canadian securities regulatory authorities. The estimates of the Imperial Mineral Resources contain Measured and Indicated Mineral Resources of 1.0Bt at 0.35 g/t Au and 0.35% Cu for 12Moz contained gold and 8.0Blb contained copper and Inferred Mineral Resources of 0.7Bt at 0.32 g/t Au and 0.29% Cu for 8.1Moz contained gold and 5.0Blb contained copper (Data reported to two significant figures and this may cause discrepancies in totals). See also Foreign Estimates – clarifying statements in the disclaimers of this presentation.

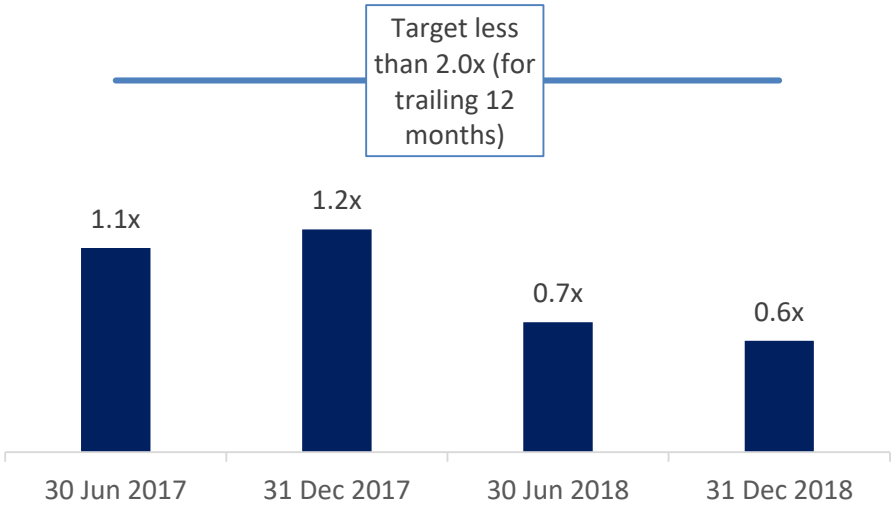
World class exploration opportunity

- Located in the highly prospective ‘Golden Triangle’ in northwest British Columbia, Canada
- Established mining jurisdiction with several world-class mineral deposits and ranked top 20 in Fraser Institute Annual Survey of Mining Companies 2017
- The Red Chris property consists of 77 mineral tenures that cover a total area of 23,142 ha.

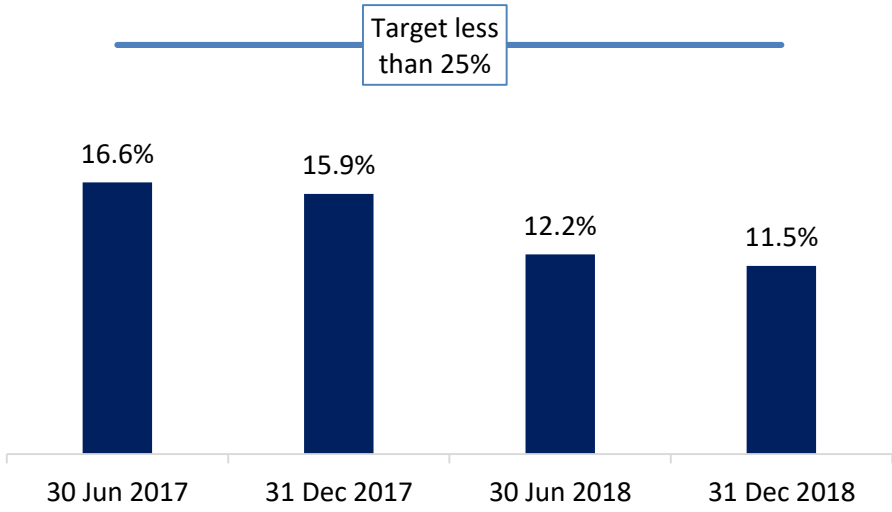


Comfortably within all four financial policy targets as at 31 December 2018

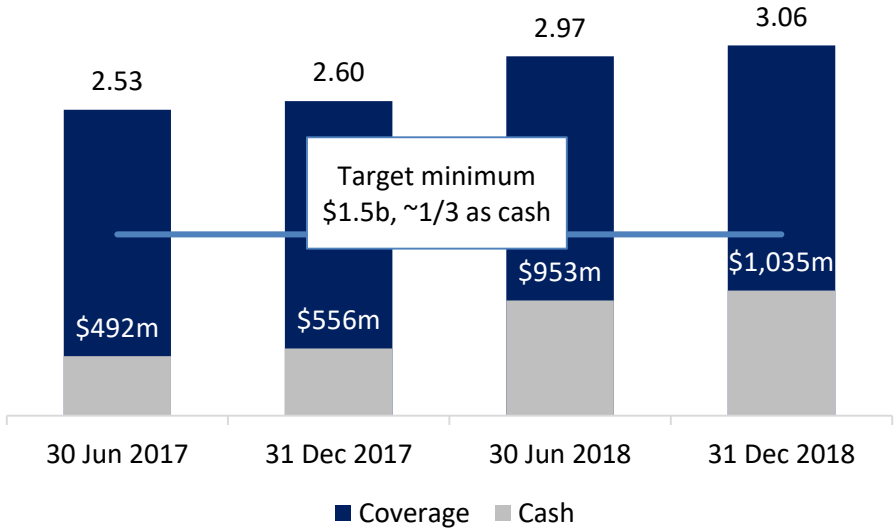
Leverage Ratio (Net Debt / EBITDA)



Gearing Ratio



Coverage ($b)



Investment Grade Credit Rating

Credit rating upgraded by S&P & Moody's

BBB / Baa2

What makes Newcrest different



Long reserve life



Low cost production



Do what we say



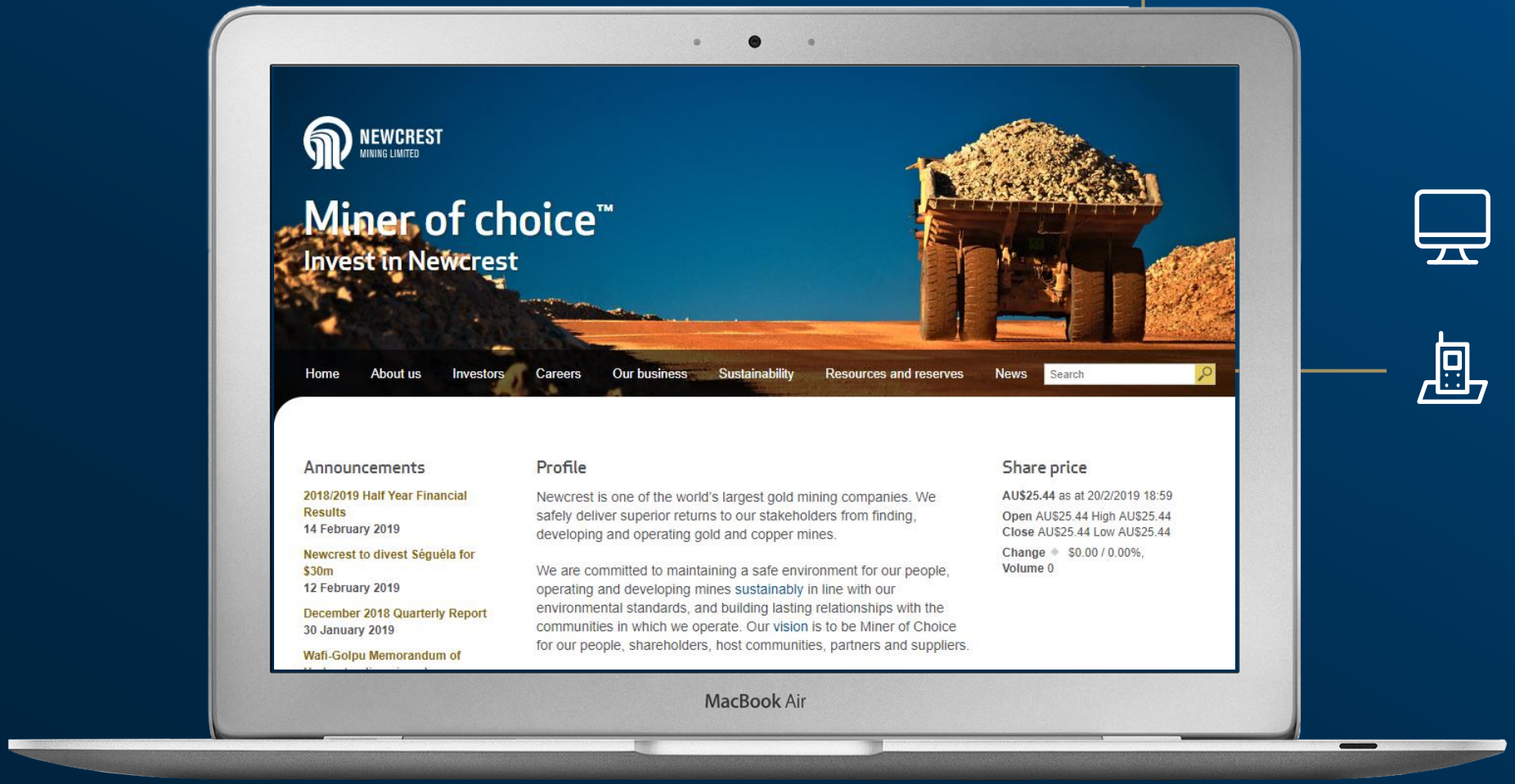
Organic growth options (*at Cadia, Lihir and Wafi Golpu)*



Strong exploration & technical capabilities



Financially robust



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