NEWCREST
MINING
LIMITED

ACN 005 683 625

to: Company Announcements Office

from: **Stephen Creese**

date: 16 August 2010

subject: **Preliminary Final Report**
Resources and Reserves

Please find attached the following items for immediate release to the market:-

1. Newcrest's Preliminary Final Report (Appendix 4E) including Auditors Report;

2. Market Release - Financial Results; and

3. Market Release – Resources and Reserves Statement.

Yours sincerely

Stephen Creese
Company Secretary

ASX Appendix 4E
Full Year Financial Results

30 June 2010

NEWCREST MINING LIMITED
AND CONTROLLED ENTITIES

ASX APPENDIX 4E

FOR THE YEAR ENDED 30 JUNE 2010

ABN: 20 005 683 625

ASX CODE: NCM

NEWCREST MINING LIMITED

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RESULTS FOR ANNOUNCEMENT TO THE MARKET

FOR THE YEAR ENDED 30 JUNE 2010

	30 June 2010 $M	30 June 2009 $M	Percentage increase/ (decrease)
Sales Revenue	2,801.8	2,530.8	10.7%
Profit after tax before hedge restructure and close out adjustments attributable to members of the parent entity ("Underlying Profit")	763.7	483.1	58.1%
Hedge restructure and close out impacts after tax	(206.8)	(235.0)	(12.0)%
Profit from continuing operations after tax attributable to members of the parent entity	556.9	248.1	124.5%
Net profit attributable to members of the parent entity	556.9	248.1	124.5%

Dividends	
Interim dividend per share (unfranked)	5.0 cents
Final dividend per share (unfranked)	20.0 cents
Record date for determining entitlement to dividend	1 October 2010
Date dividend payable	22 October 2010

For non-resident shareholders the final dividend will be paid from conduit foreign income and is exempt from withholding tax.

The Dividend Reinvestment Plan (DRP) remains in place and will be offered to shareholders at a price determined by the volume weighted average price of shares traded on the ASX over the period 24 to 30 September 2010. No discount applies. Shareholders have until 5pm AEST on 1 October 2010 to change their DRP election.

The Company has undertaken to Lihir Gold Limited ("Lihir") that the Record Date for the dividend will be after the implementation date under the Lihir Scheme of Arrangement (other than in certain limited circumstances). The Company reserves its right to amend the record and payment dates of the dividend if required to enable it to comply with this undertaking. The Company will provide at least seven business days notice to the ASX if such a change is to occur.

Review of Results

Refer to the Management Discussion and Analysis.

Other Information Required by Listing Rule 4.3A

The remainder of the information requiring disclosure to comply with Listing Rule 4.3A is contained in the attached additional information.

ADDITIONAL INFORMATION

Interest in Unincorporated Joint Venture Assets

The Group has an interest in the following unincorporated joint venture assets:

- Cracow Mining Joint Venture (70%). The principal activity of the joint venture is the production of gold and mineral exploration in Queensland, Australia.
- Hidden Valley Joint Venture (50%). The principal activity of the joint venture is the production of gold and mineral exploration in Papua New Guinea.
- Wafi-Golpu Joint Venture (50%). The principal activity of the joint venture is mineral exploration in Papua New Guinea.
- Morobe Exploration Joint Venture (50%). The principal activity of the joint venture is mineral exploration in Papua New Guinea.
- Namosi Joint Venture (69.94%). The principal activity of the joint venture is mineral exploration in Fiji.

The contribution of the joint ventures to the consolidated result for the financial year ended 30 June 2010 is not material.

Net Tangible Assets per Share ($)

	30 June 2010	30 June 2009
Net tangible assets per share	$10.19	$8.95

Control Gained Over Entities Having Material Effect

Not applicable

Loss of Control of Entities Having Material Effect

There was no loss of control over any entities in the Group during the year ended 30 June 2010.

Audit Report

The audit report issued in relation to the 2010 full Financial Report is attached.

Stephen Creese

Stephen Creese
Company Secretary

16 August 2010

NEWCREST MINING LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS[1]

1. Overview

Newcrest had a very strong 2010 financial year, increasing gold production and stable operating costs while taking advantage of increasing commodity prices to generate record profits and operating cash flow. Growth has also continued to be a focus with two major projects moving into production during the year (Hidden Valley and Ridgeway Deeps) and the Gosowong Extension Project to complete commissioning in the first quarter of FY11. In addition, Newcrest is well advanced with its acquisition of Lihir Gold Limited by Scheme of Arrangement.

The 2010 full year Underlying Profit[2] of $763.7 million was an increase of 58% from the prior year. The Statutory Profit increased by 124% to $556.9 million. Operating cash flow[3] for 2010 was up 27% to $1,303.3 million.

Gold production of 1,762,200 ounces was 8% higher than the prior year, while copper production of 86,816 tonnes was 3% lower. The price for both gold and copper increased in both US$ and A$ terms. Operating costs were stable across years, providing a decrease in unit costs, with the volume related increase in costs offset by significant input cost reductions driven mainly by the fall in diesel prices and the strengthening Australian dollar.

On 4 May 2010, Newcrest and Lihir Gold Ltd ("Lihir") entered into a Merger Implementation Agreement ("MIA") to combine the two companies under a Scheme of Arrangement ("Scheme"). The merger with Lihir is consistent with Newcrest's focus on gold, expansion in South East Asia and acquiring or building low cost long life assets. The combination of Newcrest and Lihir creates the leading SE Asian gold company, the fourth largest gold company in the world by market capitalisation and will deliver significant synergies and value for both sets of shareholders.

In accordance with the process to complete the Scheme as outlined in the MIA, the first PNG court hearing was held on 22 July 2010 and a Scheme booklet sent to Lihir shareholders on 26 July 2010. A Lihir shareholder meeting to vote on the Scheme is scheduled for 23 August 2010. Assuming Lihir shareholders vote in favour of the acquisition and it is subsequently approved by the National Court of Papua New Guinea, the full scheme will be complete by mid September 2010.

Newcrest's internal growth strategy also achieved key milestones with the operational commissioning of Ridgeway Deeps, Hidden Valley and the incremental commissioning of the Gosowong Extension Project during the year. Ridgeway Deeps was completed three months ahead of schedule and $40 million under the budget of $545 million. Hidden Valley was delayed in reaching operational completion, was commissioned in May and was on budget. Management are working through a detailed improvement plan. The Gosowong Extension Project is on schedule and remains under the budgeted expenditure of US$179 million. The Cadia East development was approved by the Newcrest Board in April 2010 with an estimated capital cost of $1.91 billion, with first production expected late in calendar 2012.

Studies on new projects have also been progressing, with particular emphasis on Wafi-Golpu, Namosi and O'Callaghans. Wafi-Golpu exploration results were impressive, particularly around the deeper Golpu resources. A new resource has been booked for Golpu with gold resources increasing almost threefold to 8.72Moz and copper resources increasing to 4.77Mt (100% terms); a concept study is nearing completion. During the year Newcrest also completed a substantial drilling programme on the O'Callaghans tungsten/base metal deposit where a substantial reserve has been booked. Study work continued on the exploitation of the resource and preliminary discussions have commenced with potential partners. Namosi drilling continues and resources have been expanded and a reserve has been booked.

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1 All figures in this report relate to businesses of the Newcrest Mining Limited Group ("Newcrest" or "the Company") for the 12 months ended 30 June 2010 ("2010") compared with the 12 months ended 30 June 2009 (the "prior year" or "2009"), except where otherwise stated. All reference to $ is a reference to Australian dollars unless specifically marked otherwise.

2 Underlying Profit is profit after tax before hedge restructure and close out impacts attributable to members of the parent entity.

3 Represents net cash provided from operating activities as disclosed in the Statement of Cash Flows.

MANAGEMENT DISCUSSION & ANALYSIS (Continued)

Exploration expenditure for the year of $101.1 million has been focused on study projects, improving existing resource positions and converting these resources to reserves. Accordingly, a high proportion of exploration expenditure was capitalised ($68.1 million). The majority of expenditure was spent on Telfer, Gosowong, Wafi-Golpu and Namosi.

The strong operating cash flow of $1,303.3 million exceeded expenditure on projects and exploration ($886.5 million) and financing activities ($130.7 million), resulting in an increase in group net cash of $286.1 million.

Newcrest ended the financial year with no gearing and a net cash position of $216.5 million. Newcrest also renegotiated its Bilateral Debt Facilities during the period. The facility was increased from US$600 million to US$1,100 million with eight banks, domestic and international, holding tranches of US$137.5 million each. The facility remains undrawn.

Newcrest continued the progressive increase in dividends to shareholders with its first interim dividend declared in February 2010 and an increased final unfranked dividend of 20 cents per share.

MANAGEMENT DISCUSSION & ANALYSIS (Continued)

2. Discussion and Analysis of Operating Results and the Income Statement

2.1 Profit Overview

For the year ended 30 June 2010 Newcrest reported Underlying Profit of $763.7 million, an increase of 58% over the prior year result of $483.1 million.

The significant increase in Underlying Profit is due to increased gold production, lower operating costs and higher commodity prices. Sales revenue was 11% higher due to higher gold sales volumes and increased gold and copper prices. Gold sales volumes were 6.6% higher, while the average gold price for the year of A$1,252 per ounce was 7.1% higher than the prior year. The average copper price for the year of A$3.40 per pound was 17.6% higher than the prior year, while copper sales volumes were 6.7% lower.

Costs of sales were 4.2% lower than the prior year, notwithstanding the increase in production and sales volumes in 2010. Mine production costs were in line with last year, resulting in lower unit costs, reflecting the success of cost reduction initiatives in labour, maintenance and contract labour costs. Key input costs were lower due to lower diesel costs and the lagged impact of falling commodity prices and the strengthening of the Australian dollar.

Inventory on the balance sheet increased by $146.9 million, primarily due to an increase in ore stockpiled at Telfer and Cadia Hill open pits and an increase in gold ounces in concentrate at year end. Deferred mining costs increased 31%, due to higher waste amortisation from the Cadia Hill open pit. The deferred mining costs on the balance sheet ($228.4 million) are predominantly related to the Cadia Hill open pit and will be fully amortised by the end of the mine life late in calendar 2012.

Exploration expenditure of $33.0 million charged to profit decreased by $24.8 million during the current period, with a higher level of capitalisation due to increased focus on brownfields and reserve definition activity.

Statutory Profit for the year of $556.9 million was a record for Newcrest and an increase of 124% on the corresponding year's result of $248.1 million. The Statutory Profit includes hedge restructure and close out impacts resulting from Newcrest's September 2007 equity raising and subsequent hedge book close-out and debt repayment. These are non-cash items that accounting rules require to be amortised over the original hedge designation period. The amortisation rates were lower in the current year, in line with the anticipated schedule.

MANAGEMENT DISCUSSION & ANALYSIS (Continued)

The table below outlines the key differences in Underlying Profit between the current year and the corresponding period last year, described in more detail later in this report:

	$M	$M
Underlying profit for the year ended 30 June 2009		**483.1**
Changes in revenues:		
Volume:		
Gold	70.5	
Copper	(39.5)	
Price:		
Gold	140.5	
Copper	98.0	
Silver	1.5	271.0
Changes in mine costs:		
Mine cost of sales:		
Mine production cost	1.0	
Deferred mining and inventory movement	95.6	
Treatment, realisation and royalty	2.5	
Telfer gas disruption costs	8.6	
Depreciation	(38.4)	69.3
Other costs:		
Corporate administration	(19.6)	
Exploration	24.8	
Other revenue and Other income/expense	13.8	
Finance costs	1.7	20.7
Tax and minority interest:		
Income tax expense	(68.9)	
Non-controlling interest	(11.5)	(80.4)
Underlying profit for the year ended 30 June 2010		**763.7**

2.2 Revenue

		12 months to 30 June 2010	12 months to 30 June 2009	% Change
Production volumes				
Gold [1]	oz	1,762,200	1,631,183	8.0
Copper	t	86,816	89,877	(3.4)
Sales volumes				
Gold	oz	1,745,130	1,637,385	6.6
Copper	t	86,876	93,077	(6.7)
Realised prices				
Gold	A$/oz	1,252	1,169	7.1
Copper	A$/lb	3.40	2.89	17.6
Average AUD:USD		0.8808	0.7487	17.6
Revenue				
Gold	$m	2,125.5	1,914.4	11.0
Copper	$m	651.6	593.2	9.8
Silver	$m	24.7	23.2	6.5
Total Sales Revenue	**$m**	**2,801.8**	**2,530.8**	**10.7**

1. Includes pre-production ounces from Hidden Valley. (2010: 46,209 ounces; 2009: 225 ounces)

MANAGEMENT DISCUSSION & ANALYSIS (Continued)

The higher gold price and increased gold sales volumes has resulted in a significant increase in gold revenue. Substantially higher copper prices have also resulted in a material increase in copper revenue, notwithstanding the lower copper sales volumes. Gold revenue represents 75.9% of Newcrest's overall sales revenue (2009: 75.6%).

Gold production and sales by site:

Ounces	12 months to 30 June 2010		12 months to 30 June 2009	
	Gold Production	Gold Sales	Gold Production	Gold Sales
Cadia	325,712	311,552	297,889	301,539
Ridgeway	171,974	170,887	234,298	239,355
Gosowong	442,525	437,059	400,220	401,160
Cracow	71,931	71,455	69,443	67,326
Telfer	688,909	701,261	629,108	628,005
Hidden Valley[1]	61,149	52,916	225	-
Total	**1,762,200**	**1,745,130**	**1,631,183**	**1,637,385**

1. Hidden Valley production and sales are reported at Newcrest's 50% ownership and includes 46,208 commissioning ounces for the full year.

Copper production and sales by site:

Tonnes	12 months to 30 June 2010		12 months to 30 June 2009	
	Copper Production	Copper Sales	Copper Production	Copper Sales
Cadia	29,110	28,804	28,083	28,643
Ridgeway	22,891	22,955	28,889	29,662
Telfer	34,815	35,117	32,905	34,772
Total	**86,816**	**86,876**	**89,877**	**93,077**

Total gold production increased 8.0% to 1.762 million ounces, while sales volumes increased 6.6% to 1.745 million ounces. The overall production increase of 131,017 ounces included:

- a 9.5% increase of 59,801 ounces at Telfer due to a significant increase in mill throughput reflecting increased mill utilisation due to improved plant maintenance scheduling;
- a 9.3% increase of 27,823 ounces from Cadia Hill due to increased gold recoveries. Gold grade increased in the second half of the year with mining focused on higher grade zones which will continue with the completion of Cutback 3;
- a 26.6% decrease of 62,324 ounces at Ridgeway due to reduced throughput and grade as mining from the sub level cave was completed and production transitioned to the Ridgeway Deeps block cave mine. The block cave mine production ramp up continued with ore production rates increasing through the latter part of the year as additional drawpoints were completed.
- a 10.6% increase of 42,305 ounces at Gosowong due to substantially higher mill throughput and increased gold recoveries, offsetting the lower grade;
- a 3.6% increase of 2,488 ounces from Cracow due to increased throughput, partly offset by lower grades; and
- production of 60,924 ounces at Hidden Valley (Newcrest 50% share). The operation was fully commissioned in May 2010.

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MANAGEMENT DISCUSSION & ANALYSIS (Continued)

Total gold revenue increased by 11.0% to $2,125.5 million (2009: $1,914.4 million) as a result of higher prices and sales volumes. The average gold price of A$1,252 per ounce was 7.1% higher than the prior period (A$1,169 per ounce).

Group copper revenue increased by 9.8% to $651.6 million due to substantially higher prices partly offset by lower sales volumes. The average copper price of A$3.40 per pound was 17.6% higher than the A$2.89 per pound in the prior period. The lower sales and production was mostly from Ridgeway as mining transitioned from the sub level cave to the Ridgeway Deeps block cave mine.

Silver revenue increased by $1.5 million, due to higher sales prices partly offset by lower sales volumes. The lower sales volumes were mainly due to lower silver production at Gosowong, due to lower mined silver grade.

2.3 Costs

Mine Cost of Sales

$M	12 months ended		% Change Total	% due to volume[1]	% due to cost increases/ (decreases)
	30 June 2010	30 June 2009			
Mine production costs	**1,096.7**	**1,097.7**	(0.1)	7.9	(8.0)
• Employee Salaries	183.6	179.0	2.6	1.4	1.2
• Maintenance incl Contract Labour	247.1	263.6	(6.2)	5.0	(11.2)
• Mining Contracts	123.6	122.2	1.1	6.8	(5.7)
• Fuel & Lubes	92.0	109.8	(16.2)	5.2	(21.4)
• Utilities & Power	73.8	66.3	11.3	7.6	3.7
• Liners & Grinding Media	102.4	83.1	23.2	19.5	3.7
• Other Input Costs	274.2	273.7	0.2	3.6	(3.4)
Deferred mining costs	79.2	60.5			
Inventory movements	(115.3)	(1.0)			
Telfer Gas disruption costs	-	8.6			

1. The 50% NML share of Hidden Valley mine production costs of $19.2 million for the period 1 May to 30 June 2010 have been included in the volume column.

Overall mine production costs (before inventory movements and deferred mining costs) decreased by $1.0 million, or 0.1%, to $1,096.7 million, despite an increase in Group mining activity and production, and the inclusion of Hidden Valley's costs from 1 May 2010. The primary drivers of the cost reduction was the strengthening A$ on major US$ cost inputs, mainly fuel and lubes, maintenance parts and mining and milling consumables. Diesel input prices fell from A$0.98 cpl last year to A$0.78 cpl in the current year. In addition, the sustained benefits of cost reduction initiatives are evident across the Group, in particular at Telfer with savings in contract labour and plant maintenance, and site administration and engineering overheads.

The fall in input costs has been countered by higher costs associated with the significant increase in mining and milling activity across the group, with a subsequent increase in metal production. However, Newcrest's unit cash costs continue to be in the lowest cost quartile for global gold producers. Newcrest's cash costs for the year fell to US$306 per ounce (FY09: US$350 per ounce) compared to the recent global average of US$551 per ounce (FY09: US$489 per ounce).[4]

4 Source: GFMS Limited Precious Metals Cost Service

MANAGEMENT DISCUSSION & ANALYSIS (Continued)

Employee costs have risen by 2.6%, reflecting a combination of a disciplined management of workforce numbers, and restrained wage inflation during the current financial year. Overall employee headcounts have increased, however these increases have been at Gosowong, with the implementation of owner mining and maintenance, and the inclusion of the Hidden Valley workforce in operational reporting from 1 May.

Significant sustained benefits have been realised at Telfer through the implementation of a number of key improvement projects including Shutdown Optimisation and Mill Liner Design. These projects combined with improved work planning and execution regimes have resulted in increased plant availability and lower unit maintenance costs. In addition, costs in this category are lower in the current financial year, with the transition to owner maintenance at Gosowong. Maintenance activities are now performed in-house by Newcrest employees, at a lower unit cost than in prior years. Overall contract maintenance costs have also benefited from lower costs for parts and consumables, due to the stronger Australian dollar.

Processing circuit modifications at Cadia Valley, and throughput increases at both Telfer and Gosowong, have driven a significant increase in the consumption of power and mill consumables, such as liners and grinding media. FY10 saw the integration of a new secondary crushing plant and two Vertimills into the High Grade Plant at Cadia Valley. The secondary crushing plant was installed to maintain milling rates for the harder Ridgeway Deeps ore, the first of the two Vertimills has de-bottlenecked the ball mill circuit, allowing for higher throughput rates. The second Vertimill was installed as a regrind mill within the flotation circuit, and has improved gold recovery.

Contract prices for liners and grinding media peaked during the second half of the prior financial year, coming off a relatively low base. Prices have since progressively declined, in line with Newcrest's other cost inputs.

"Other Input Costs" include variable mining and milling costs such as heavy equipment tyres and explosives and chemical reagents, in addition to other fixed costs such as insurance. Total "Other Input Costs" have remained steady in FY10, with the consumption impact of higher reagents and mill consumables, countered by input cost reductions due to the stronger Australian currency and fixed cost savings initiatives across the operations. One specific area of saving this year has been in the lower group insurance premiums due to renegotiated rates and a stronger A$ resulting in an overall reduction of $4.9 million.

Deferred mining costs were $79.2 million for the year ended 30 June 2010, compared to $60.5 million in 2009, due to increased waste amortisation from Cadia Hill open pit. As Cadia Hill nears the end of production late in calendar 2012, the rest of the deferred mining provision will be amortised.

Inventory movements were a credit of $115 million, due to an increase in ore stockpiled at both Telfer and Cadia Hill open pit operations. Due to planned mine sequencing, Cadia Hill and Telfer both mined in excess of milling capacity during FY10, and as a consequence, increased the tonnes of ore stockpiled. In addition, there was an increase in gold ounces in concentrate at year end, which was a sales timing issue.

Treatment, Realisation and Royalty Costs

Concentrate treatment and realisation costs for the year of $139.6 million was a decrease of $14 million on the prior year, predominantly driven by the impact of the Australian dollar appreciation on USD denominated shipping and realisation costs. In addition, Newcrest has benefitted from a 20% reduction in the contracted rates for concentrate shipping, treatment and refining costs driven by market conditions. These benefits have been offset by significant increases in off-the-top metal deductions due to the increase in metal prices.

Royalties of $67.6 million for the year were $11.5 million higher than the prior year, consistent with the increased metal sales and higher metal prices.

Depreciation

Depreciation expense, included in cost of sales, increased by $38.4 million to $300.9 million. The unit rate of depreciation increased by 8.6% to $174.8 per ounce reflecting production generated from new developed mines at Ridgeway Deeps, Gosowong and Hidden Valley.

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MANAGEMENT DISCUSSION & ANALYSIS (Continued)

Corporate Administration Costs
Corporate Administration Costs of $77.2 million was an increase of $7.4 million from the prior year. The corporate expenses include corporate costs of $61.2 million (2009: $57.5 million), depreciation of $7.6 million (2009: $4.3 million) and the accounting impact of the share based remuneration of $8.4 million (2009: $8.0 million).

Acquisition and Integration Costs
Costs of $12.2 million were incurred for the year relating to the proposed MIA to combine Newcrest Mining and Lihir Gold Limited. If the proposed transaction is successful, there are expected to be additional costs in FY11 for advisory fees and integration costs.

Exploration
Total exploration expenditure for the year was $101.1 million (2009: $109.3 million) with $33.0 million charged against income compared to $57.8 million in the prior year. (Details of the nature and location of exploration expenditure is provided below in the cash flow section.)

2.4 Other Revenue and Other Income/(Expense)

Other Revenue and Other Income/(Expense) was $28.9 million (2009: $15.1 million).

	12 months ended	
$M	**30 June 10**	**30 June 09**
Other Revenue		
Interest revenue	12.2	7.7
JV management fees	0.7	0.6
	12.9	**8.3**
Other Income/(Expense)		
Profit/(loss) on sale of non-current assets	(0.3)	0.9
Net foreign exchange gain/(loss)	(14.7)	(32.6)
Fair value gain/(loss) on gold & copper derivatives	44.1	34.0
Cadia Valley royalty dispute	(10.9)	-
Other income/(expenses)	(2.2)	4.5
	16.0	**6.8**
Other Revenue and Other Income/(Expense)	**28.9**	**15.1**

The foreign exchange loss of $14.7 million is due to the effect of the strengthening A$:US$ exchange rate on USD denominated concentrate debtors.

The fair value gain on gold and copper derivatives relates to the movements in spot prices impacting the quotational period adjustments in sales. Newcrest locks in the copper price for certain concentrate shipments at the time of sale to minimise this impact. Gold prices are not locked in at the time of shipment due to the shorter quotational period for gold (usually one month for gold versus three or four months for copper).

During the year, Newcrest received an unfavourable ruling by the NSW Court of Appeal in respect to the mineral royalties dispute at Cadia Valley. This matter has been appealed by the Group to the High Court of Australia.

Other Revenue mainly comprises of interest revenue which was higher due to the improved cash generation during the year.

MANAGEMENT DISCUSSION & ANALYSIS (Continued)

2.5 Finance Costs

As a result of strong operating cash flows, Newcrest reduced its debt levels resulting in lower gross borrowing costs of $33.2 million (2009: $39.5 million). Interest of $33.2 million was expensed for the year (2009: $34.9 million) with no capitalisation. Interest of $4.6 million capitalised in the prior year relates to the Hidden Valley development project.

2.6 Income Tax Expense

The income tax expense in the current year on Underlying Profit was $297.2 million, resulting in an effective tax rate of 26.9%. The prior year tax expense on Underlying Profit was $228.3 million with an effective tax rate of 30.6%. The effective tax rate in the current year benefited from an adjustment to the prior period research and development allowance.

2.7 Hedge Restructure and Close Out Impacts

Losses on Restructured and Closed-out Hedges

During the 2008 financial year, Newcrest closed out its gold hedge book and realised the gold hedging losses and extinguished any future obligation with respect to the hedge contracts.

Accounting standards require the accumulated losses on the contracts closed out to remain deferred in the Hedge Reserve within equity. The losses in the Hedge Reserve will then be transferred to the Income Statement in future periods in line with the original sales to which they were designated. This resulted in a loss release profile as noted below. A pre-tax loss on restructured and closed out hedge contracts of $294.9 million has been recognised in the year (2009: $352.0 million).

There are no liabilities remaining for the closed out contracts and the profit impacts on the current and future periods are all non-cash.

	Current	To be released in future periods		
$M	**2010**	**2011**	**2012**	**Total**
Total hedge losses	294.9	152.8	7.2	160.0
Tax effect	(88.5)	(45.8)	(2.2)	(48.0)
After tax hedge losses	206.4	107.0	5.0	112.0

Other close out related gains/(losses)

The other close-out related impacts include:

- Fair value loss of $12.5 million on gold put options (2009: $25.1 million). Newcrest purchased the gold put options following the close out of the gold hedge book in September 2007 in order to manage its exposure to commodity price risk;
- A foreign exchange gain of $12.0 million (2009: $41.4 million) on US Dollar borrowings designated as cash flow hedges. This relates to the gain crystallised on the repayment of US Dollar denominated borrowings using proceeds from the equity raising undertaken in September 2007. This gain has now been fully realised in the Income Statement.

MANAGEMENT DISCUSSION & ANALYSIS (Continued)

3. Discussion and Analysis of the Cash Flow Statement

3.1 Cash Flow – Operating Activities

The Group generated record operating cash flows in the current period. The strong operational performance and high gold prices drove the operating cash flow of $1,303.3 million, which was significantly higher than the prior year ($1,024.1 million).

3.2 Cash Flow – Investing Activities

Net cash used in investing activities for the year of $886.5 million was a decrease of $495.1 million on the prior year. The prior year included acquisition payments of $470.6 million in respect to the Morobe Mining Joint Venture.

Capital expenditure during the period focused on projects at Cadia East ($233.7 million), Ridgeway Deeps ($137.7 million), Hidden Valley ($127.6 million) and the Gosowong Expansion ($103.4 million). Hidden Valley and Ridgeway Deeps became operational during the year, while the Gosowong Expansion will be commissioned early in FY11. The Cadia East project was approved for development in April 2010. The investing cashflows during the year were:

12 months ended 30 June	**2010**
	$M
Capital Expenditure:	
Sustaining	100.4
Development	21.6
Projects – Construction & Studies	663.5
	785.5
Exploration	101.1
Other investing activities	(0.1)
Total	**886.5**

MANAGEMENT DISCUSSION & ANALYSIS (Continued)

Exploration expenditure

Exploration expenditure during the year has been focused on near province opportunities, improving existing resource positions and converting these resources to reserves. During the year, this included:

- Telfer - Further drilling of the O'Callaghans deposit (tungsten base metals).
- Gosowong – Drilling to the north of the previously mined Toguraci open pit
- Papua New Guinea – Drilling at Wafi, Golpu West and Golpu Deeps.

A breakdown of exploration expenditure by nature was:

12 months ended 30 June	2010
	$M
Greenfields	17.6
Brownfields	25.1
Reserve Definition	
- Cracow	1.4
- Telfer	24.6
- Gosowong	14.4
- Namosi, Fiji	3.1
- Morobe, PNG	14.9
Total	**101.1**

A breakdown of exploration expenditure by region was:

12 months ended 30 June	2010
	$M
Australia	47.9
Indonesia	22.2
Papua New Guinea	20.9
Fiji	8.6
Americas	1.5
Total	**101.1**

3.3 Cash Flow – Financing Activities

Cash flows used in financing activities were $130.7 million (2009: $634.2 million inflow) with major activities including:

- $81.3 million dividend payment to owners of Newcrest and $30.4 million dividend payment to non-controlling interests, and
- $15.8 million for share buy-backs.

3.4 Cash Balances

The Group's overall cash balance increased by $276.9 million or 76% from the prior year, to $643.3 million.

NEWCREST MINING LIMITED

MANAGEMENT DISCUSSION & ANALYSIS (Continued)

4. Discussion and Analysis of the Balance Sheet

4.1 Net Assets and Total Equity

Newcrest's Net Assets and Total Equity increased during the year by $651.1 million to $5,009.5 million. This was mainly due to the statutory profit of $556.9 million.

Property, plant and equipment and exploration, evaluation and development had a combined value on the balance sheet of $4,320.4 million as at 30 June 2010 representing an increase of $409.2 million on the prior year. Capital expenditure of $785.5 million was focussed on Cadia East, Hidden Valley, and Gosowong. Depreciation for the year was $308.5 million.

Total deferred mining expenditure on the balance sheet at 30 June 2010 was $228.4 million (2009: $302.8 million) with the majority relating to the Cadia Hill open pit, which is expected to amortise over the next two years.

Capitalised exploration of $285.1 million represents an increase of $51.4 million from the prior year. The majority of this balance relates to the Morobe Province (PNG), Telfer and Cadia Valley.

Newcrest has carry forward tax losses of $271.5 million recognised as an asset as at balance date. This is a reduction of $132.0 million from last year. The majority of these losses relate to the Australian tax consolidated group and include the hedge losses realised with the close out of the hedge book and gold bullion forward sales contracts in the 2008 financial year. At the current level of profitability, we expect operating tax losses to be fully utilised in the next three to four years.

4.2 Net Debt and Gearing

As at 30 June 2010, Newcrest's total cash balance exceeded its total borrowings by $216.5 million (2009: net debt of $84.1 million). The movement in the net debt balance is shown below:

	$M
Net debt at 30 June 2009	**84.1**
Retranslation of USD debt	(20.5)
Increase in cash balances	(276.9)
Net movement in finance leases	(3.2)
Net debt/(cash) at 30 June 2010	**(216.5)**

The increase in cash balances was as a result of the strong operating cashflows for the year.

The gearing ratio of net debt to net debt plus equity decreased to negative 5% (2009: 2% positive) as shown below:

$M	**30 June 2010**	**30 June 2009**
Total debt	426.8	450.5
Less cash and cash equivalents	(643.3)	(366.4)
Net debt	(216.5)	84.1
Equity	5,009.5	4,358.4
Net debt and equity	4,793.0	4,442.5
Gearing (net debt/net debt and equity)	(5%)	2%

NEWCREST MINING LIMITED

MANAGEMENT DISCUSSION & ANALYSIS (Continued)

4.3 Liquidity and Debt Facilities

Newcrest renegotiated its US Dollar Bilateral debt facilities during the year. The Group has available Bilateral debt facilities of US$1,100 million with 8 banks. These are unsecured revolving facilities with maturities ranging between December 2012 and February 2013. Interest is based on LIBOR plus a margin.

Newcrest has US$350 million of long term senior unsecured notes issued into the North American Private Placement market. The notes, comprising 5 tranches, have a repayment profile from May 2012 to May 2020. The vast majority of the notes are at a fixed interest rate of 5.6%. The current plan is for this facility to continue until maturity.

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010

	Note	Consolidated 2010 $M	2009 $M
Operating sales revenue	3(a)	2,801.8	2,530.8
Cost of sales	3(b)	(1,568.7)	(1,638.0)
Gross profit		1,233.1	892.8
Exploration expenses		(33.0)	(57.8)
Corporate administration expenses	3(c)	(89.4)	(69.8)
Operating profit		**1,110.7**	**765.2**
Other revenue	3(d)	12.9	8.3
Other income/(expenses)	3(e)	16.0	6.8
Finance costs	3(f)	(33.2)	(34.9)
Profit before tax, restructure and close out impacts		**1,106.4**	**745.4**
Losses on restructured and closed out hedge contracts	3(j)	(294.9)	(352.0)
Other close out related costs	3(k)	(12.5)	(25.1)
Foreign exchange gain on US dollar borrowings	3(l)	12.0	41.4
Profit before income tax		**811.0**	**409.7**
Income tax expense		(208.6)	(127.6)
Profit after income tax		**602.4**	**282.1**
Profit after Tax attributable to:			
Non-controlling interest		45.5	34.0
Owners of the parent		556.9	248.1
		602.4	**282.1**
Profit after tax attributable to owners of the parent comprises:			
Profit after tax attributable to owners of the parent		556.9	248.1
Losses on restructured and closed out hedge contracts (after tax)	3(j)	206.4	246.4
Other close out related costs (after tax)	3(k)	8.8	17.6
Foreign exchange gain on US dollar borrowings (after tax)	3(l)	(8.4)	(29.0)
Profit after tax before hedge restructure and close out impacts attributable to owners of the parent ("Underlying Profit")		**763.7**	**483.1**
Earnings per share (EPS) (cents per share)	4		
Basic earnings per share		115.2	53.0
Diluted earnings per share		114.9	52.9
Earnings per share on Underlying Profit:			
Basic earnings per share		158.0	103.2
Diluted earnings per share		157.5	103.0

The above Statement should be read in conjunction with the Management Discussion and Analysis.

NEWCREST MINING LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2010

	Note	Consolidated 2010 $M	2009 $M
Profit after Income Tax		**602.4**	**282.1**
Other Comprehensive Income			
Cashflow Hedges			
US dollar debt cashflow hedge deferred in equity		3.4	(68.4)
Other cashflow hedges deferred in equity		1.1	(0.3)
Losses on restructured hedge contracts transferred to the Income Statement	3(j)	294.9	352.0
Foreign exchange gains on US dollar borrowings transferred to the Income Statement	3(l)	(12.0)	(41.4)
Income tax		(86.3)	(72.5)
		201.1	169.4
Foreign Currency Translation			
Foreign currency translation		(31.9)	(2.8)
Net loss on hedge of net investment		-	(76.9)
Income tax		-	7.7
		(31.9)	(72.0)
Other Comprehensive Income for the year, net of tax		**169.2**	**97.4**
Total Comprehensive Income for the year		**771.6**	**379.5**
Total Comprehensive Income attributable to:			
Non-controlling interest		43.9	35.6
Owners of the parent		727.7	343.9
		771.6	**379.5**

The above Statement should be read in conjunction with the Management Discussion and Analysis.

NEWCRESTMINING LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010

	Consolidated 2010 $M	Consolidated 2009 $M
Current Assets		
Cash and cash equivalents	643.3	366.4
Trade and other receivables	280.0	272.6
Inventories	267.0	272.8
Financial derivative assets	39.4	13.5
Other	180.8	156.0
Total Current Assets	1,410.5	1,081.3
Non-Current Assets		
Other receivables	8.9	9.1
Inventories	152.7	-
Property, plant and equipment	1,764.4	1,470.0
Exploration, evaluation and development	2,556.0	2,441.2
Intangible assets	82.6	32.5
Deferred tax assets	271.5	403.5
Financial derivative assets	2.8	14.8
Other	84.4	163.6
Total Non-Current Assets	4,923.3	4,534.7
Total Assets	6,333.8	5,616.0
Current Liabilities		
Trade and other payables	209.1	212.6
Borrowings	5.8	5.0
Provisions	78.7	93.9
Financial derivative liabilities	17.1	6.8
Income tax payable	16.2	1.1
Other	0.5	1.1
Total Current Liabilities	327.4	320.5
Non-Current Liabilities		
Borrowings	421.0	445.5
Provisions	87.8	76.6
Deferred tax liabilities	488.1	414.5
Other	-	0.5
Total Non-Current Liabilities	996.9	937.1
Total Liabilities	1,324.3	1,257.6
Net Assets	5,009.5	4,358.4
Equity		
Issued capital	3,639.8	3,641.6
Retained earnings	1,492.0	1,031.8
Reserves	(178.2)	(357.4)
Parent entity interest	4,953.6	4,316.0
Non-controlling interest	55.9	42.4
Total Equity	5,009.5	4,358.4

The above Statement should be read in conjunction with the Management Discussion and Analysis.

NEWCREST MINING LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2010

	Consolidated	
	2010	2009
	$M	$M
Cash Flows from Operating Activities		
Receipts from customers	2,755.6	2,517.0
Payments to suppliers and employees	(1,358.0)	(1,368.2)
Interest received	10.9	7.7
Interest paid	(31.1)	(29.9)
Income taxes paid	(74.1)	(102.5)
Net cash provided by operating activities	1,303.3	1,024.1
Cash Flows from Investing Activities		
Payments for property, plant and equipment	(100.4)	(114.3)
Mine under construction, development and feasibility expenditure	(632.0)	(657.1)
Exploration and evaluation expenditure	(101.1)	(109.3)
Information systems development	(53.1)	(28.3)
Acquisition of interest in joint venture	-	(470.6)
Interest capitalised to development projects	-	(4.6)
Proceeds from sale of non-current assets	0.1	2.6
Net cash (used in) investing activities	(886.5)	(1,381.6)
Cash Flows from Financing Activities		
Proceeds from borrowings:		
• US dollar Bilateral debt	-	570.1
Repayment of borrowings:		
• US dollar Bilateral debt	-	(647.0)
Net repayment of finance lease principal	(3.2)	(2.8)
Proceeds from equity issue net of costs	-	792.7
Proceeds from other share issues	-	6.3
Share buy-back	(15.8)	(25.1)
Dividends paid:		
• Members of the parent entity	(81.3)	(40.1)
• Non-controlling interests	(30.4)	(19.9)
Net cash (used in)/provided by financing activities	(130.7)	634.2
Net increase in cash and cash equivalents	**286.1**	276.7
Cash and cash equivalents at the beginning of the financial year	366.4	77.5
Effects of exchange rate changes on cash held	(9.2)	12.2
Cash and cash equivalents at the end of the financial year	643.3	366.4

The above Statement should be read in conjunction with the Management Discussion and Analysis.

NEWCREST MINING LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2010

Consolidated	Attributable to Owners of the Parent						Non-Controlling Interest	Total
	Issued Capital $M	FX Translation Reserve $M	Hedge Reserve $M	Equity Settlements Reserve $M	Retained Earnings $M	Total $M	$M	$M
Balance at 1 July 2009	**3,641.6**	**(93.6)**	**(291.4)**	**27.6**	**1,031.8**	**4,316.0**	**42.4**	**4,358.4**
Profit for the year	-	-	-	-	556.9	556.9	45.5	602.4
Other comprehensive income for the year	-	(30.3)	201.1	-	-	170.8	(1.6)	169.2
Total Comprehensive Income for the year	**-**	**(30.3)**	**201.1**	**-**	**556.9**	**727.7**	**43.9**	**771.6**
Transactions with Owners in their Capacity as Owners								
Share-based payments	-	-	-	8.4	-	8.4	-	8.4
Exercise of options	-	-	-	-	-	-	-	-
Shares issued - Dividend Reinvestment Plan	15.4	-	-	-	-	15.4	-	15.4
Shares issued - Equity raising	(1.4)	-	-	-	-	(1.4)	-	(1.4)
Share buy-back	(15.8)	-	-	-	-	(15.8)	-	(15.8)
Dividends paid	-	-	-	-	(96.7)	(96.7)	(30.4)	(127.1)
Balance at 30 June 2010	**3,639.8**	**(123.9)**	**(90.3)**	**36.0**	**1,492.0**	**4,953.6**	**55.9**	**5,009.5**

The above Statement should be read in conjunction with the Management Discussion and Analysis.

NEWCREST MINING LIMITED

STATEMENT OF CHANGES IN EQUITY (Continued)
FOR THE YEAR ENDED 30 JUNE 2010

Consolidated	Attributable to Owners of the Parent							
	Issued Capital $M	FX Translation Reserve $M	Hedge Reserve $M	Equity Settlements Reserve $M	Retained Earnings $M	Total $M	Non-Controlling Interest $M	Total $M
Balance at 1 July 2008	**2,857.4**	**(20.0)**	**(460.8)**	**19.6**	**829.0**	**3,225.2**	**26.7**	**3,251.9**
Profit for the year	-	-	-	-	248.1	248.1	34.0	282.1
Other comprehensive income for the year	-	(73.6)	169.4	-	-	95.8	1.6	97.4
Total Comprehensive Income for the year	**-**	**(73.6)**	**169.4**	**-**	**248.1**	**343.9**	**35.6**	**379.5**
Transactions with Owners in their Capacity as Owners								
Share-based payments	-	-	-	8.0	-	8.0	-	8.0
Exercise of options	6.3	-	-	-	-	6.3	-	6.3
Shares issued - Dividend Reinvestment Plan	5.2	-	-	-	-	5.2	-	5.2
Shares issued - Equity raising	797.8	-	-	-	-	797.8	-	797.8
Share buy-back	(25.1)	-	-	-	-	(25.1)	-	(25.1)
Dividends paid	-	-	-	-	(45.3)	(45.3)	(19.9)	(65.2)
Balance at 30 June 2009	**3,641.6**	**(93.6)**	**(291.4)**	**27.6**	**1,031.8**	**4,316.0**	**42.4**	**4,358.4**

The above Statement should be read in conjunction with the Management Discussion and Analysis.

NEWCREST MINING LIMITED

NOTES TO THE FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2010

1. Accounting Polices

The Appendix 4E has been prepared in accordance with the ASX Listing Rules. Information included in the Appendix 4E has been extracted from the Group's full financial report, and is presented in Australian dollars.

A full description of the accounting policies adopted by the Group can be found in the Group's full financial report. These accounting policies have been consistently applied by each entity in the Group.

The full financial report is a general purpose financial report which has been prepared in accordance with the requirements of the *Corporations Act 2001,* Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report of the Group also complies with International Financial Reporting Standards ('IFRSs') including interpretations as issued by the International Accounting Standards Board.

2. Dividends

		Cents per share	Total amount $M	Date of payment
a)	**Dividend declared and paid**			
	The following dividends (unfranked) on ordinary shares were declared and paid:			
	2009			
	Final - In respect to the year ended 30 June 2008	10.0	45.3	17 Oct 2008
		10.0	**45.3**	
	2010			
	Final - In respect to the year ended 30 June 2009	15.0	72.5	16 Oct 2009
	Interim - In respect to the year ended 30 June 2010	5.0	24.2	16 Apr 2010
		20.0	**96.7**	

Participation in the Dividend Reinvestment Plan reduced the cash amount paid to $81.3 million (2009: $40.1 million).

		Cents per share	Total amount $M	Date of payment
b)	**Dividend proposed and not recognised as a liability**			
	Subsequent to the end of the year, the Directors determined the following dividend (unfranked) be paid:			
	Final – In respect to the year ended 30 June 2010	20.0	96.7 [(i)]	22 Oct 2010

(i) Total amount is based on shares on issue at the reporting date. The total amount will be higher if the proposed acquisition of Lihir Gold Ltd is successful. Refer Note 6.

c) Dividend franking account balance

Franking credits at 30% available for the subsequent financial year is nil (2009: nil).

NEWCREST
MINING LIMITED

NOTES TO THE FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2010

3. Revenue and Expenses

		Consolidated 2010 $M	Consolidated 2009 $M
	Specific items Profit before income tax includes the following revenues, income and expenses whose disclosure is relevant in explaining the performance of the Group:		
(a)	**Operating Sales Revenue**		
	Gold	2,125.5	1,914.4
	Copper	651.6	593.2
	Silver	24.7	23.2
	Total Operating Sales Revenue	2,801.8	2,530.8
(b)	**Cost of Sales**		
	Mine production costs	1,096.7	1,097.7
	Royalty	67.6	56.1
	Concentrate treatment and realisation	139.6	153.6
	Depreciation	300.9	262.5
	Deferred mining adjustment	79.2	60.5
	Inventory movements	(115.3)	(1.0)
	Gas disruption costs [(1)]	-	8.6
	Total Cost of Sales	1,568.7	1,638.0
(c)	**Corporate Administration Expenses**		
	Corporate costs	61.2	57.5
	Corporate depreciation	7.6	4.3
	Equity settled share-based payments	8.4	8.0
	Business acquisition costs [(2)]	12.2	-
	Total Corporate Administration Expenses	89.4	69.8
(d)	**Other Revenue**		
	Interest from other persons	12.2	7.7
	Joint venture management fees	0.7	0.6
	Total Other Revenue	12.9	8.3
(e)	**Other Income/(Expenses)**		
	Profit/(loss) on sale of non-current assets	(0.3)	0.9
	Net foreign exchange gain/(loss)	(14.7)	(32.6)
	Fair value gain/(loss) on gold and copper derivatives	44.1	34.0
	Royalty dispute	(10.9)	-
	Other	(2.2)	4.5
	Total Other Income/(Expenses)	16.0	6.8

(1) Represents the additional costs, net of insurance proceeds, associated with securing alternative sources of gas for Telfer as a result of the Varanus Island gas plant explosion in June 2008.

(2) Represents costs associated with the proposed acquisition of Lihir Gold Ltd. Refer Note 6.

NEWCREST MINING LIMITED

NOTES TO THE FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2010

3. Revenue and Expenses (Continued)

		Consolidated	
		2010	2009
		$M	$M
(f)	**Finance Costs**		
	Interest Costs:		
	Interest on loans	21.0	31.8
	Finance leases	1.2	0.2
	Other:		
	Facility fees and other costs	5.8	3.7
	Discount unwind on provisions	5.2	3.8
		33.2	39.5
	Less: Capitalised borrowing costs	-	(4.6)
	Total Finance Costs	33.2	34.9
(g)	**Depreciation and Amortisation**		
	Property, plant and equipment	155.3	151.0
	Mine development	166.2	130.5
	Intangible assets	8.0	0.9
		329.5	282.4
	Add/(Less):		
	Capitalised to inventory on hand or mines under construction	(21.0)	(15.6)
	Total Depreciation and Amortisation Expense	308.5	266.8
	Included in:		
	Cost of Sales Depreciation	300.9	262.5
	Corporate Depreciation	7.6	4.3
	Total Depreciation and Amortisation Expense	308.5	266.8
(h)	**Employee Benefits Expense**		
	Defined contribution plan expense	20.4	18.3
	Defined benefit plan expense [i]	-	0.8
	Equity settled share-based payments	8.4	8.0
	Termination benefits expense	-	1.6
	Other employment benefits	239.3	219.7
	Total Employee Benefits Expense	268.1	248.4

[i] In 2009, the remaining employees of the defined benefit plan retired or left the Group and the plan was subsequently closed.

(i)	**Other Items**		
	Operating lease rentals	5.0	5.4

NEWCREST MINING LIMITED

NOTES TO THE FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2010

3. Revenue and Expenses (Continued)

		Consolidated	
		2010	2009
		$M	$M
(j)	**Losses on Restructured and Closed out Hedge contracts**		
	Losses on restructured and closed out hedge contracts transferred from reserves	294.9	352.0
	Applicable income tax (benefit)	(88.5)	(105.6)
	Total Losses on Restructured and Closed Out Hedges (after tax)	206.4	246.4
(k)	**Other Close Out Related Costs**		
	Fair value loss on gold put options	12.5	25.1
	Applicable income tax (benefit)	(3.7)	(7.5)
	Total Other Close Out Related Costs (after tax)	8.8	17.6
(l)	**Foreign Exchange Gain on US Dollar Borrowings**		
	Foreign exchange gain/(loss) on US dollar borrowings transferred from reserves	12.0	41.4
	Applicable income tax (expense)	(3.6)	(12.4)
	Total Foreign Exchange Gain on US Dollar Borrowings (after tax)	8.4	29.0

NOTES TO THE FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2010

4. Earnings Per Share (EPS)

	2010 **¢**	2009 ¢
EPS (cents per share)		
Basic EPS	115.2	53.0
Diluted EPS	114.9	52.9
Earnings per share on Underlying Profit:		
Basic EPS	158.0	103.2
Diluted EPS	157.5	103.0

Earnings used in calculating EPS	**2010** **$M**	2009 $M
Earnings used in the calculation of basic and diluted EPS:		
Profit after income tax attributable to owners of the parent	556.9	248.1
Earnings used in the calculation of basic and diluted EPS on Underlying Profit:		
Profit after tax before hedge restructure and close out impacts	763.7	483.1

Weighted average number of shares	**2010** **No. of shares**	2009 No. of shares
Share data used in the calculation of basic and diluted EPS:		
Weighted average number of ordinary shares used in calculating basic EPS:	483,495,632	467,951,049
Effect of dilutive securities:		
Share options	1,309,498	1,167,735
Adjusted weighted average number of ordinary shares used in calculating diluted EPS	484,805,130	469,118,784

NOTES TO THE FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2010

5. Segment Information

The Group's operating segments are based on the internal management reports that are reviewed and used by the Group's Executive Committee (the chief operating decision makers) in assessing performance. The operating segments represent the Group's operating mines and projects which are organised and managed according to their location.

The Group's reportable operating segments are:

- Cadia Valley, NSW, Australia
- Telfer, WA, Australia
- Cracow JV (70% interest), QLD, Australia
- Gosowong, Indonesia
- Hidden Valley JV (50% interest), Papua New Guinea
- Exploration and Other

Hidden Valley was acquired on 7 August 2008 and was commissioned on 1 May 2010.

Exploration and Other mainly comprises projects in the exploration, evaluation and feasibility phase and includes Namosi in Fiji, Wafi-Golpu in PNG, Marsden and O'Callaghans in Australia.

Segment Results, Segment Assets and Segment Liabilities
The measurement of segment results is in line with the basis of information presented to management for internal management reporting purposes. The performance of each segment is measured based on their Revenues, Costs and Operating EBIT (Segment Result).

Segment Revenues represent gold, copper and silver sales at unhedged prices. Operating EBIT is earnings before interest and income tax. Operating EBIT does not include the allocation of hedging and litigation settlements.

Segment assets exclude deferred tax assets and intercompany receivables.
Segment liabilities exclude current and deferred tax liabilities and intercompany payables.

NEWCREST MINING LIMITED

NOTES TO THE FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2010

5. Segment Information (continued)

2010	Cadia Valley Operations $M	Telfer $M	Cracow $M	Gosowong $M	Hidden Valley $M	Exploration & Other $M	Total Segments $M	Corporate[(i)] & Unallocated $M	Total Group $M
External Sales revenue	1,000.8	1,146.1	89.6	554.8	10.5	-	2,801.8	-	2,801.8
Other revenue	-	-	-	-	-	-	-	0.7	0.7
Total segment revenue	1,000.8	1,146.1	89.6	554.8	10.5	-	2,801.8	0.7	2,802.5
Segment EBITDA	548.6	517.0	49.7	418.2	0.5	(33.0)	1,501.0	(65.1)	1,435.9
Depreciation and amortisation	(63.1)	(176.5)	(17.5)	(40.1)	(4.1)	-	(301.3)	(7.2)	(308.5)
Segment result [Operating EBIT]	**485.5**	**340.5**	**32.2**	**378.1**	**(3.6)**	**(33.0)**	**1,199.7**	**(72.3)**	**1,127.4**
Interest revenue								12.2	12.2
Interest expense								(33.2)	(33.2)
Net finance costs								(21.0)	(21.0)
Hedge restructure & close out impacts								(295.4)	(295.4)
Profit before tax								**(388.7)**	**811.0**
Other segment information									
Segment assets	1,906.6	2,033.3	67.3	438.9	681.6	285.1	5,412.8	923.7	6,333.8
Segment liabilities	120.4	97.9	8.2	60.0	45.4	3.5	335.4	988.9	1,324.3
Acquisition of segment assets	406.5	55.1	13.5	120.0	91.4	101.1	787.6	75.0	862.6

Notes:
(i) Includes eliminations.

NEWCREST MINING LIMITED

NOTES TO THE FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2010

5. Segment Information (continued)

2009	Cadia Valley Operations $M	Telfer $M	Cracow $M	Gosowong $M	Hidden Valley $M	Exploration & Other $M	Total Segments $M	Corporate[i] & Unallocated $M	Total Group $M
External Sales revenue	991.5	985.4	80.3	473.6	-	-	-	-	2,530.8
Other revenue	-	-	-	-	-	-	-	0.6	0.6
Total segment revenue	991.5	985.4	80.3	473.6	-	-	-	0.6	2,531.4
Segment EBITDA	474.5	302.8	44.9	332.3	-	(57.8)	1,096.7	(57.3)	1,039.4
Depreciation and amortisation	(53.0)	(162.4)	(13.8)	(40.8)	-	-	(270.0)	3.2	(266.8)
Segment result [Operating EBIT]	**421.5**	**140.4**	**31.1**	**291.5**	**-**	**(57.8)**	**826.7**	**(54.1)**	**772.6**
Interest revenue								7.7	7.7
Interest expense								(34.9)	(34.9)
Net finance costs								(27.2)	(27.2)
Hedge restructure & close out impacts								(335.7)	(335.7)
Profit before tax								**(417.0)**	**409.7**
Other segment information									
Segment assets	1,571.4	2,135.2	75.9	314.0	630.1	233.7	4,960.3	655.7	5,616.0
Segment liabilities	102.0	100.9	6.8	71.1	63.5	6.0	350.3	907.3	1,257.6
Acquisition of segment assets	383.3	69.9	9.4	109.5	598.3	235.3	1,405.7	18.6	1,424.3

Notes:
(i) Includes eliminations.

NOTES TO THE FINANCIAL INFORMATION
FOR THE YEAR ENDED 30 JUNE 2010

6. Merger Implementation Agreement with Lihir

Newcrest and Lihir Gold Ltd ("Lihir") entered into a Merger Implementation Agreement ("MIA") on 4 May 2010 to combine the two companies under a Scheme of Arrangement ("Scheme"). Newcrest completed the due diligence process on 8 June 2010, at which time the two parties commenced working exclusively together to complete the Scheme between Lihir and its shareholders under which Newcrest will acquire Lihir.

On 22 July 2010, the National Court of Papua New Guinea ("National Court") approved the despatch of the Scheme Booklet to Lihir shareholders. The National Court has fixed 23 August 2010 as the date for the Extraordinary General Meeting ("EGM") of Lihir shareholders to vote on the Scheme.

Assuming Lihir shareholders vote in favour of the Scheme and the National Court approves the Scheme at the second court hearing date fixed for 27 August 2010, the Scheme will be implemented by mid September 2010.

7. Events Subsequent to Reporting Date

Newcrest and Sumatra Copper & Gold plc ('Sumatra') have signed a Heads of Agreement involving an equity investment by Newcrest in Sumatra and a joint venture investment in two of Sumatra's gold projects in the southwest region of the Island of Sumatra, Indonesia. Newcrest and Sumatra intend to enter into definitive agreements in relation to the three limbs of the transaction by 17 August 2010. The joint venture investments are also dependent on approvals by Indonesian authorities.

The Directors of Newcrest Mining Limited determined that a final unfranked dividend of 20 cents per ordinary share be paid in respect of the 2010 financial year. The total amount of the dividend is $96.7 million based on shares on issue at the reporting date. If the Scheme outlined in Note 6 is approved, a maximum of 280,988,130 shares will be issued pursuant to the Scheme (subject to adjustments). This will increase the total dividend payable by $56.2 million. The dividend has not been provided for in the 30 June 2010 financial statements.

The Company has undertaken to Lihir that the record date for the dividend will be after the implementation date under the Scheme of Arrangement (other than in certain limited circumstances). The Company reserves its right to amend the record and payment dates of the dividend if required to enable it to comply with this undertaking. The Company will provide at least seven business days notice to the ASX if such a change is to occur.

There are no other matters or circumstances which have arisen since 30 June 2010 that have significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

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Independent auditor's report to the members of Newcrest Mining Limited

We have audited the accompanying financial report of Newcrest Mining Limited, which comprises the statement of financial position as at 30 June 2010, and the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Director's Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with the Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 2(a), the directors also state that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit we have met the independence requirements of the Corporations Act 2001. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the directors' report. In addition to our audit of the financial report and the remuneration disclosures, we were engaged to undertake the services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

Auditor's Opinion

In our opinion:

1. the financial report of Newcrest Mining Limited is in accordance with the *Corporations Act 2001*, including:

    i giving a true and fair view of the consolidated entity's financial position at 30 June 2010 and of its performance for the year ended on that date; and

    ii complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

2. the financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2010. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Newcrest Mining Limited for the year ended 30 June 2010, complies with section 300A of the *Corporations Act 2001*.

Ernst & Young

Ernst & Young

Rodney Piltz
Partner
Melbourne
16 August 2010